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County of Contra Costa, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2002

Kenneth J. Corcoran
Auditor-Controller

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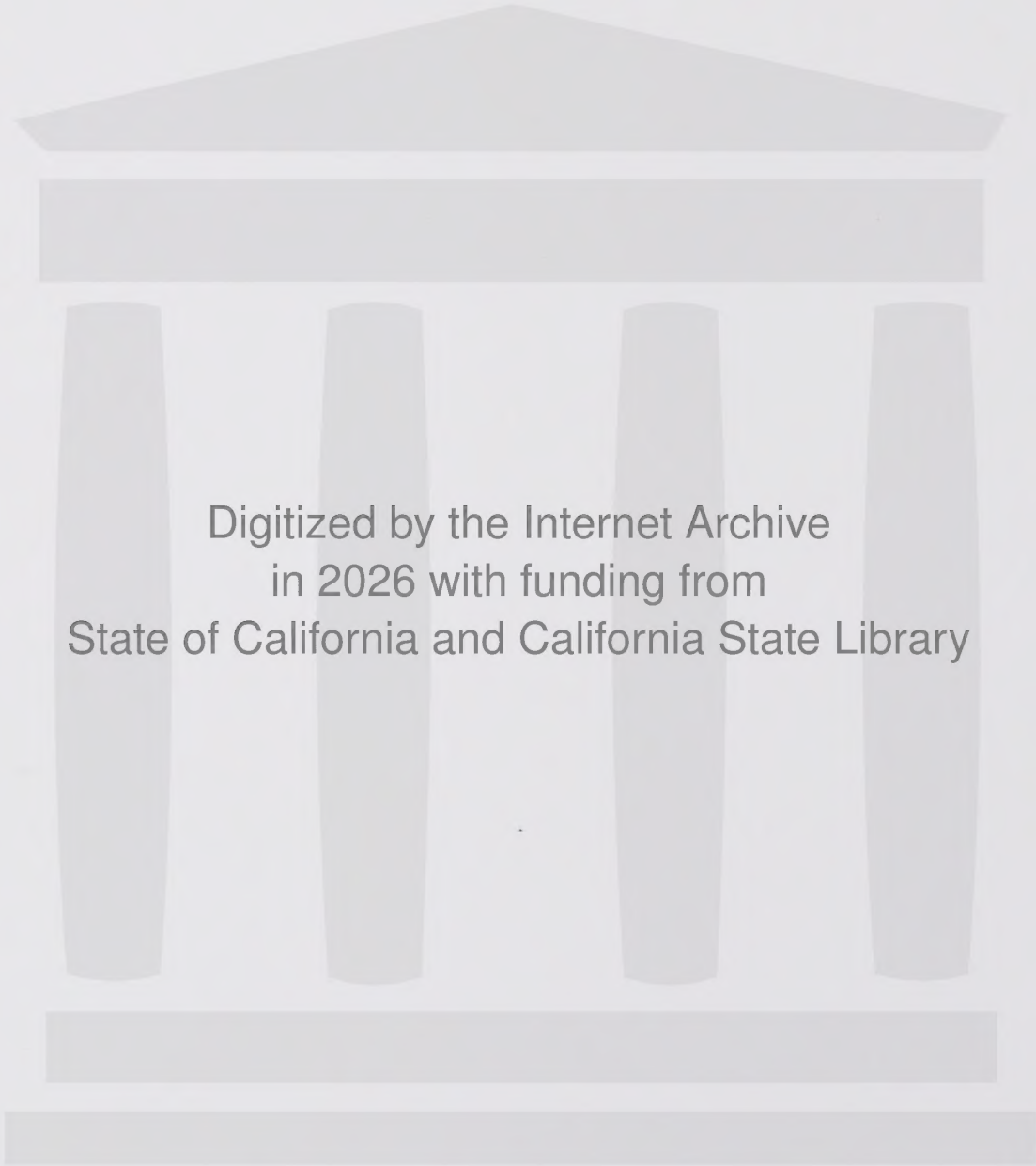
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County of Contra Costa, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2002

Kenneth J. Corcoran
Auditor-Controller

COUNTY OF CONTRA COSTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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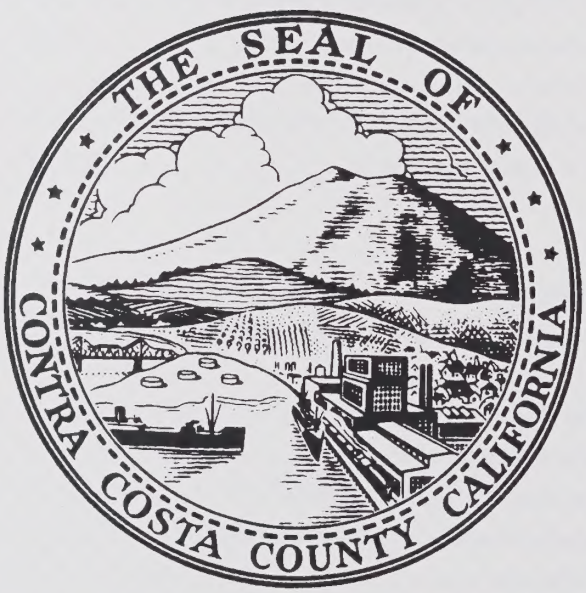

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

INTRODUCTORY SECTION

Contra Costa County

Office of
COUNTY AUDITOR-CONTROLLER

625 Court Street
Martinez, California 94553-1282
Telephone (925) 646-2181
Fax (925) 646-2649

Kenneth J. Corcoran
Auditor-Controller

Stephen J. Ybarra
Assistant Auditor-Controller

December 20, 2002

Members of the Board of Supervisors and Citizens of Contra Costa County:

The Comprehensive Annual Financial Report (CAFR) of the County of Contra Costa for the fiscal year of 2001-2002 is presented in compliance with Section 25253 of the Government Code of the State of California. The Office of the County Auditor-Controller, which is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, prepared this report. We believe the data, as presented, are accurate in all material aspects and presented in a manner designed to fairly set forth the financial position and changes in financial position of the County as measured by the financial activity of its various funds and component units and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

This year our CAFR will be significantly different and improved from those issued in prior years. This is the result of a major new reporting standard, Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. In addition to the fund financial statements and statistical section that we have presented in the past, we will now present more information to better enable readers to determine the cost of County services and how effectively it has used its resources. This includes the following:

- Management's Discussion and Analysis (MD&A) is a formal narrative by the County's management to provide an overview and analysis of the County's financial activity for the year and any known facts that may significantly affect future activity. Some of the information that was previously presented in this Introductory Section is now in the Management's Discussion and Analysis.

- Government-wide Financial Statements provide a broad overview of the County's finances in a manner similar to a private-sector business. The new statement of net assets presents all of the assets, including capital and infrastructure assets, net of all liabilities including long-term debt. In addition to general revenues (i.e. taxes and investment earnings), the new statement of activities presents the program revenues and expenses associated with the various functions of County government, its business-type activities and its component units.

- Required Supplementary Information (other than MD&A) consists of the General Fund's budgetary comparisons.

The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the year, covering all of its financial transactions. The CAFR is organized into three sections:

- The Introductory Section is intended to familiarize the reader with the organizational structure of the County, the nature and scope of the services it provides, and the specifics of its legal operating environment.

- The Financial Section includes the independent auditor's report on the basic financial statements, MD&A, audited basic financial statements, note disclosures and supporting statements and schedules necessary to provide readers with a comprehensive understanding of the County's financial activities of the past fiscal year.

- The Statistical Section contains comprehensive statistical data for the County relating to its physical, economic, social and political characteristics.

THE REPORTING ENTITY

The County reporting entity includes all the financial balances and activities of the primary government as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable or other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would make the enclosed financial statements misleading or incomplete. For further information on these component units see Note 1.A in the Notes to the Basic Financial Statements section of this report.

The reporting entity excludes certain separate legal entities which may have "Contra Costa" in their title, or which are required to keep their funds in the County Treasury or receive their tax apportionment from the County. Examples are school districts, the community college district, cities, city redevelopment agencies, the Bay Area Rapid Transit District, the Metropolitan Transportation Commission, and a variety of special purpose districts for cemeteries, mosquito abatement, recreation and parks, etc. These entities are autonomous organizations that handle their own fiscal affairs and for which the Board of Supervisors has no oversight responsibility. Accordingly, they are not included in the accompanying basic financial statements, except for their assets, principally cash and investments, which are held by the County Treasurer.

Contra Costa County was incorporated in 1850 as one of the original 27 counties of the State. It is one of nine counties in the San Francisco-Oakland Bay Area. The County covers about 733 square miles; the western and northern shorelines are highly industrialized, while the interior sections are suburban/residential, commercial and light industrial.

The County has a general law form of government. A five member Board of Supervisors, each elected to four year terms, serves as the legislative body. A County Administrative Officer is appointed by the Board and runs the day-to-day business.

The County provides the full-range of services contemplated by statute. These services include public protection, highways and streets, sanitation, health and social services, planning and zoning and general administrative services.

ECONOMIC CONDITIONS AND OUTLOOK

Long-term population and job growth projections remain positive. As of January 1, 2002, the County's population was estimated at 981,555, an increase of 23.1 percent since 1990. A study prepared by the Association of Bay Area Governments projects a 36.0 percent increase in population between 2000 and 2040.

The County's October 2002 jobless rate increased from 3.6 percent to 5.1 percent since October 2001. Consistent with historical performance, it was significantly below the State-wide average of 6.2 percent. The County's economy is very diverse; major industries include petroleum refining, steel manufacturing, chemicals, electronic equipment, paper products, services and food processing. The County consistently ranks as a leading county in both per capita and household income.

Additional information on the County's economic conditions and outlook is presented in the MD&A and in the Notes to the Basic Financial Statements.

MAJOR INITIATIVES AND SERVICE EFFORTS AND ACCOMPLISHMENTS

The County continued to explore and initiate ways to improve its operations to provide the most efficient and effective level of service to the public. The following highlights some of the County's major accomplishments, initiatives and service-level efforts for fiscal year 2001-2002:

- The County has been successful in maintaining favorable bond ratings, which continue to produce significant taxpayer savings through lower borrowing costs. Debt issuances during the period included:
    - The County sold $70 million in Tax and Revenue Anticipation Notes in September 2001.
    - Private placement leases were refunded with upfront debt-service savings of $280,000.
    - The County of Contra Costa Public Financing Authority issued $12,650,000 in lease revenue bonds in June 2002.
- The County continued its efforts to conserve energy and successfully completed ten energy conservation projects in nine buildings and the Main Detention Facility, which included replacing 15-30 year-old heating, ventilation and air conditioning (HVAC) systems and upgrading digital control systems. The completion of these projects will result in estimated cost savings in excess of $200,000 per year. The funding for these projects came from low-interest loans from the California Energy Commission.

- The County also continued to explore new ways to save energy and, consistent with the County's sustainable building policy, developed the solar 309 KVP Photovoltaic System projects. The $2 million project was financed 50 percent by receiving $1 million in grant funding from P G & E to install photovoltaic roof panels at 50 Douglas Drive and the Main Detention Facility. This is the first installation of photovoltaic panels by the County and is estimated to annually reduce energy costs by approximately $80,000.

- This year the County redesigned its Recommended Budget format to link departmental budgets with actual performance. The new Recommended Budget format includes performance measures and workload and outcome indicators. This change increases departmental accountability and assists the Board of Supervisors in making sound policy and budgetary decisions.

- Because of the County's continued efforts to assess program costs with actual performance and benefits, the County secured a three-year grant for performance software for the "Spirit of Caring" initiative (Mental Health Services). This software is expected to generate data about costs, services, and performance outcomes that will lay the foundation for a cost/benefit analysis of prevention/early intervention efforts (Contra Costa Futures Initiative).

- The Community Services Department was recognized as a "Program of Achievement" by the National Head Start Association, which affirms that a program has successfully performed at a very high level of quality over a sustained period of time. This recognition was given to Community Services as the first such award in the history of California and as the second such award in the West Coast Region IX.

- The County continued to focus on public outreach and information. The County's Government Access Channel, CCTV, received nine awards for excellence in cable programming, including two national Telly awards and seven Western Access Video Excellence (WAVE) awards.

- Library service throughout the County continued to be enhanced. In 2001-2002, the Board of Supervisors provided $1.3 million from the County's General Fund to the Library. This funding assisted in enabling the following:

    - Creating a strong partnership with cities by requiring cities to match the County's contribution in order to receive County funds.

    - Providing fair and equitable library service throughout the County, including the County funding the contribution match for unincorporated areas.

    - As a result of the County's efforts and commitment to enhancing library services, the number of library hours per week increased by 22 percent over the prior year and the libraries were accessible for additional evening hours.

    - For the first time, library circulation reached the 4 million mark; library circulation was not this high even when libraries were open 60 hours a week.

- The County Library received a $2 million donation from Mirant California, LLC which will provide $400,000 annually over the span of five years. In accepting these funds, the Board of Supervisors requested the East Region Library Board to develop a service plan utilizing these funds. The East Region Library Board recommended, and the County's Board of Supervisors approved, using these funds to increase library services in East County by purchasing additional books and implementing after-school library programs.

- The County continued to improve assistance to low-income parents by acquiring a new Head Start Center in Antioch. This newly acquired campus will allow the County to expand services provided by Head Start. The Head Start Program is critical in the County's efforts to assist low-income parents in becoming successful participants in the work force and/or move from welfare to work.

- The County continued its commitment to provide excellent health care in a quality environment:

  - The Pittsburg Health Center was relocated from a very antiquated building to a newly renovated Los Medanos Community Clinic in February 2002.

  - Construction of a Martinez Ambulatory Care building at the hospital campus in Martinez.

- An excellent quality of health care continued to be provided and expanded. The Contra Costa Health Plan's Advice Nurse Program became the first public entity to receive accreditation from the Utilization Review Accreditation Commission. The program was expanded to provide services under contract to eight other counties and now covers 245,000 citizens.

FINANCIAL INFORMATION

County management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the County are protected from loss, theft or misuse, and that accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

The objective of the County's budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Board of Supervisors. Budgetary control is maintained at the object level for all annually budgeted funds; however, the legal level of control is at the department level. Using the County's automated accounting system, the Auditor-Controller restricts each department's expenditures to the amounts appropriated by the Board of Supervisors for the year. Increases in budget appropriations must be approved by the Board of Supervisors as a transfer from the Reserve for Contingencies, as a transfer from another appropriation, or as an appropriation of new or unanticipated revenue. No department is permitted to spend more than its available appropriations. Any appropriations remaining in the departments at the end of the fiscal year automatically lapse and are transferred to fund balance. The year-end fund balance, along with projected

revenues, becomes available for appropriation the following year. An encumbrance accounting system is used to facilitate effective budgetary control. An encumbrance reserves a portion of an appropriation at the time a commitment is made to acquire goods or services. Open encumbrances are reported as reservations of fund balances at June 30, 2002, and are re-appropriated as part of the following year's budget.

Additional information on budget policy and control is presented in the Note to Required Supplementary Information on page 80.

General Governmental Functions

The financial activities of the general governmental functions are reported in the General, Special Revenue, Debt Service, Capital Projects and Permanent Funds. Included in these Funds are the special districts governed by the Board of Supervisors and the County's blended component units except for the Housing Authority, which is included in enterprise operations.

Enterprise Operations

The County's business-type activities are reported in the Enterprise Funds. These include the County Hospital, Health Maintenance Organization, Airport, Housing Authority, Sheriff Law Enforcement Training Center and the Major Risk Medical Insurance Enterprise Funds.

Cash Management

Cash temporarily idle during the year was invested in accordance with California Government Code Section 53600 (et seq.) which allows investment maximums of 40.0 percent in bankers' acceptances, 30.0 percent in negotiable certificates of deposit, and up to 30.0 percent in commercial paper. There is no limit on investments in collateralized certificates of deposit and U.S. Government issues. The County Treasurer continues to have a more restrictive investment policy than required by law. The Treasurer's investment policy was approved by the Board of Supervisors. In accordance with Government Code Sections 27130-27137, an investment oversight committee has reviewed the quarterly investment reports prepared by the Treasurer. The average yield on investments for the fiscal year ended June 30, 2002, was 3.27 percent.

Debt Administration

The County finances its cash requirements prior to collection of taxes by short-term borrowing. The 2001-2002 Tax and Revenue Anticipation Notes of $70,000,000 received ratings of MIG 1 from Moody's Investors Service and SP-1+ from Standard and Poor's Corporation. These are the highest ratings for this type of borrowing. For long term obligations Standard and Poor's Corporation has given the County an Issuer Credit Rating of AA.

The County has capital lease obligations under lease/purchase agreements for various County buildings and other property. Past agreements have been made principally with the Contra Costa County Public Facilities Corporation, a non-profit public benefit corporation which assists the County in financing public buildings and facilities. Beginning in fiscal year 1997-1998, most new agreements have been and will be made with the County of Contra Costa Public Financing Authority, a joint powers authority consisting of the County and the Redevelopment Agency.

Risk Management

The County is self-insured for workers' compensation, general and automobile liability, medical malpractice, dental, management long-term disability and unemployment insurance. The County maintains excess insurance policies with private insurers to cover additional losses.

The County's Risk Management office administers claims for the various programs, provides loss prevention services and minimizes risks through various risk control strategies.

For specific information on coverage see Note 18 in the Notes to the Basic Financial Statements.

Pension Trust Fund Operations

The County participates in and contributes to a cost-sharing, multi-employer defined benefit pension plan that is governed by the County Employees Retirement Law of 1937 and which is administered by the Contra Costa County Employees' Retirement Association (the Association). Financial activities of the plan are reported in the County's Pension Trust Fund and a Comprehensive Annual Financial Report is available from the Association. Additional information about the plan is also presented in Note 15 in the Notes to the Basic Financial Statements in this report. The Association's address can be found in Note 1.A.

OTHER INFORMATION

Independent Audit

For over 60 years the policy of the County has been to require an annual audit of the financial statements of the County by independent certified public accountants. The Board of Supervisors selected the firm of Macias, Gini & Company LLP to perform the fiscal year 2001-2002 audit.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Contra Costa County for its fiscal year 2000-2001 Comprehensive Annual Financial Report. This was the twentieth consecutive fiscal year the County has received this award.

In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid only for a period of one year. We believe our current report continues to conform to Certificate of Achievement requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

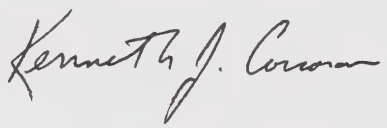
Web Site

The County maintains an Internet web site with an increasing amount of information useful to its citizens at http://www.co.contra-costa.ca.us. This document is also available there.

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Office of the Auditor-Controller. I would like to express my appreciation to all members of the Office who assisted and contributed to its preparation. I would also like to thank the members of the Board of Supervisors and the County Administrator for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



Kenneth J. Corcoran
Auditor-Controller

COUNTY OF CONTRA COSTA

PUBLIC OFFICIALS

June 30, 2002

ELECTED OFFICIALS

Supervisor, District 1	John Gioia
Supervisor, District 2	Gayle B. Uilkema
Supervisor, District 3	Donna Gerber
Supervisor, District 4	Mark De Saulnier
Supervisor, District 5	Federal Glover
Assessor	Gus Kramer
Auditor-Controller	Kenneth J. Corcoran
Clerk-Recorder	Stephen L. Weir
District Attorney-Public Administrator	Gary T. Yancey
Sheriff-Coroner	Warren E. Rupf
Treasurer-Tax Collector	William J. Pollacek

APPOINTED OFFICIALS

County Administrator	John Sweeten
County Counsel	Silvano Marchesi
County Librarian	Anne Cain
County Probation Officer	Steve Bautista
Director of Animal Services	Michael G. Ross
Director of Building Inspection	Carlos Baltodano
Director of Child Support Services	Linda M. Dippel
Director of Community Development	Dennis Barry
Director of Community Services	Tony Colon
Director of Cooperative Extension	Shelley Murdock
Director of Employment and Human Services	John Cullen
Director of General Services	Barton J. Gilbert
Director of Health Services	William Walker, MD
Director of Human Resources	Leslie T. Knight
Director of Information Technology	Steven Steinbrecher
Director of Public Works	Maurice Shiu
Agricultural Commissioner-Director of Weights and Measures	Edward P. Meyer
Public Defender	David Coleman III
Veterans' Services Officer	Gary D. Villalba
Chief, Bethel Island Fire Protection District	David Wahl
Chief, Contra Costa Fire Protection District	Keith Richter
Chief, Crockett-Carquinez Fire Protection District	Jerry Littleton, Jr.
Chief, East Diablo Fire Protection District	Paul Hein
Chief, Oakley Fire Protection District	Bob Pastor

AFFILIATED ORGANIZATIONS

Administrator, Contra Costa County Employees' Retirement Association	Patricia Wiegert
Executive Director, Housing Authority of the County of Contra Costa	Robert McEwan
President, Contra Costa County Public Facilities Corporation	John E. Whalen
Executive Director, Contra Costa Children and Families Commission	Brenda Blasingame
Executive Director, County of Contra Costa Public Financing Authority	John Sweeten
Executive Director, Contra Costa County Redevelopment Agency	John Sweeten
Executive Director, In-Home Supportive Services Public Authority	Eldon Luce

Organizational Chart of Contra Costa County

BOARD OF SUPERVISORS (E)

COUNTY ADMINISTRATOR

PUBLIC PROTECTION

- AGRICULTURE-WEIGHTS AND MEASURES
- ANIMAL SERVICES
- CHILD SUPPORT SERVICES
- DISTRICT ATTORNEY (E)
  - Public Administrator
- GRAND JURY
- PROBATION
- PUBLIC DEFENDER
- SHERIFF-CORONER (E)
  - Court Security
  - Emergency Services
  - Institutions
- SUPERIOR COURT
  - (County Responsibilities)

GENERAL GOVERNMENT

- ASSESSOR (E)
- AUDITOR-CONTROLLER (E)
- COOPERATIVE EXTENSION
- COUNTY ADMINISTRATOR
  - Affirmative Action
  - Capital Facilities and Debt
  - CCTV/Public Outreach Mgt.
  - Clerk of the Board
  - Information Technology
  - Policy and Innovation Inst.
  - Revenue Collections
  - Risk Management
  - Training Institute
- COUNTY CLERK-RECORDER (E)
  - Elections
- COUNTY COUNSEL
- GENERAL SERVICES
  - Building and Grounds
  - Central Services
  - Communications
  - Fleet Services
  - General Property
  - Purchasing
  - Workfare Programs
- HUMAN RESOURCES
- LIBRARY
- TREASURER-TAX COLLECTOR (E)

HEALTH AND HUMAN SERVICES

- COMMUNITY SERVICES
  - Family and Child Services Division
- EMPLOYMENT AND HUMAN SERVICES
- HEALTH SERVICES
  - Substance Abuse
  - California Children's Services
  - Health Plan
  - Hospital & Clinics
  - Mental Health
  - Public Health
- VETERANS' SERVICES

GROWTH MANAGEMENT

- BUILDING INSPECTION
  - Housing Rehabilitation
  - Land Information Systems
- COMMUNITY DEVELOPMENT
  - Comprehensive Planning
  - Economic Development
  - Land Development
  - Transportation Planning
- PUBLIC WORKS
  - Airport
  - Flood Control
  - Roads

SPECIAL DISTRICTS AND AUTHORITIES

- EMERGENCY MEDICAL SERVICES
- FIRE PROTECTION
- FLOOD CONTROL AND DRAINAGE
- LIBRARY
- LIGHTING & LANDSCAPE
- POLICE
- RECREATION & PARK
- SANITATION
- STREETS & ROADS

AFFILIATED ORGANIZATIONS

- EMPLOYEES' RETIREMENT ASSOCIATION
- HOUSING AUTHORITY (1)
- PUBLIC FACILITIES CORPORATION
- REDEVELOPMENT AGENCY (1)
- PUBLIC FINANCING AUTHORITY (1)
- CONTRA COSTA CHILDREN & FAMILIES COMMISSION
- IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY (1)

(E = Elected)

1. Authority/Agency Board is the Board of Supervisors

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Contra Costa, California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

FINANCIAL SECTION

Macias, Gini & Company LLP
Certified Public Accountants and
Management Consultants

The Honorable Board of Supervisors
County of Contra Costa
Martinez, California

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Contra Costa, California (County), as of and for the fiscal year ended June 30, 2002, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Contra Costa County Housing Authority (Authority), a blended component unit of the County, which represents 10.8 percent of the assets and 16.3 percent of the revenues of business-type activities and represents 0.8 percent of the assets and 2.2 percent of the revenues of the aggregate remaining fund information. Also, we did not audit the financial statements of the Contra Costa Children and Families Commission (Commission), a discretely presented component unit of the County, which represents 100.0 percent of the discretely presented component unit opinion unit. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority and Commission, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2002, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1.B to the basic financial statements, the County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments;* GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus;* GASB Statement No. 38, *Certain Financial Statement Note Disclosures;* and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, effective July 1, 2001.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2002, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and general fund budgetary comparison schedule, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Macias, Gini & Company LLP

Certified Public Accountants

Walnut Creek, California
December 20, 2002

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the County of Contra Costa's (County) Comprehensive Annual Financial Report presents a discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2002. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of fiscal year 2001-2002 by $895,371,000 (net assets). Of this amount, $148,090,000 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, $270,857,000 is restricted for specific purposes (restricted net assets) and $476,424,000 is invested in capital assets, net of related debt.
- The County's total net assets increased by $48,623,000 during the fiscal year.
- As June 30, 2002, the County's governmental funds reported ending fund balances of $468,266,000. Approximately 79.2 percent of this total amount, $370,868,000, is unreserved fund balance.
- As of June 30, 2002, unreserved fund balance for the General Fund was $115,658,000 or 12.5 percent of total General Fund expenditures of $925,684,000.
- The County's total debt decreased by $9,570,000 or 1.3 percent during fiscal year 2001-2002.
- The downturn in the equity markets has resulted in reduced state revenues and losses in the investments of the Contra Costa County Employees' Retirement Association (CCCERA).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three parts: (1) **Government-wide** financial statements, (2) **Fund** financial statements, and (3) **Notes** to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The **statement of net assets** presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The **statement of activities** presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public protection, health and sanitation, public assistance, education, public ways and facilities and recreation and culture. The business-type activities of the County include the County Hospital, Health Maintenance Organization, Airport, Housing Authority, Sheriff Law Enforcement Training Center and Major Risk Medical Insurance.

Fund Financial Statements

The fund financial statements report groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities and objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: **governmental** funds, **proprietary** funds, and **fiduciary** funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources that are available for spending as well as on balances of resources that are available for spending at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 26 individual governmental funds (e.g. General, special revenue, debt service, capital projects and permanent) for reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds used by the County are of two different types: enterprise funds and internal service funds. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of its County Hospital, Health Maintenance Organization, Airport, Housing Authority, Sheriff Law Enforcement Training Center and Major Risk Medical Insurance.

- **Internal service funds** are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its administrative costs and payment of claims for its various insurance programs to protect County assets and employees. They have been allocated between the governmental functions and business-type activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of entities legally separate from the County and individuals, which are not part of the reporting entity. The Contra Costa County Employees' Retirement Association pension plan, the County's investment trust fund, private-purpose trust fund and agency funds are reported under fiduciary funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the County's General Fund budget and actual comparisons and progress in funding its obligation to provide pension benefits to employees.

Combining Statements and Schedules

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information (other than MD&A).

Component Units

The blended component units, as described in Note 1.A in the notes to the basic financial statements are included in all three parts of the County's basic financial statements. The County and its blended component units constitute the primary government. In addition to the blended component units, the government-wide financial statements and the notes to the basic financial statements also include the discretely presented component unit described in Note 1.A in the notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the first year the County has reported its financial activities and balances in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* The County has not restated prior year information for the purpose of providing the comparative data for the Management's Discussion and Analysis (MD&A) because some of that information was not readily available. However, in future years, prior year information will be available and a comparative analysis of government-wide data will be presented.

COUNTY'S NET ASSETS
June 30, 2002
(In Thousands)

	Governmental Activities	Business-Type Activities	Total
Assets:			
Current and other assets	$ 1,049,662	125,383	1,175,045
Capital assets	633,982	191,534	825,516
Total Assets	1,683,644	316,917	2,000,561
Liabilities:			
Current and other liabilities	183,899	82,365	266,264
Long-term liabilities	671,106	167,820	838,926
Total Liabilities	855,005	250,185	1,105,190
Net Assets:			
Invested in capital assets, net of related debt	437,866	38,558	476,424
Restricted	259,481	11,376	270,857
Unrestricted	131,292	16,798	148,090
Total Net Assets	$ 828,639	66,732	895,371

Analysis of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The County's assets exceeded liabilities by $895,371,000 at June 30, 2002.

The largest portion of the County's net assets, $476,424,000, or 53.2 percent, reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets, $270,857,000, or 30.3 percent, represents resources that are subject to external restrictions on how they may be used. The major restriction on net assets, $232,651,000, is for legally segregated taxes, grants and fees. The remaining balance, $148,090,000 or 16.5 percent, is unrestricted net assets and may be used to meet the County's ongoing obligations to citizens and creditors.

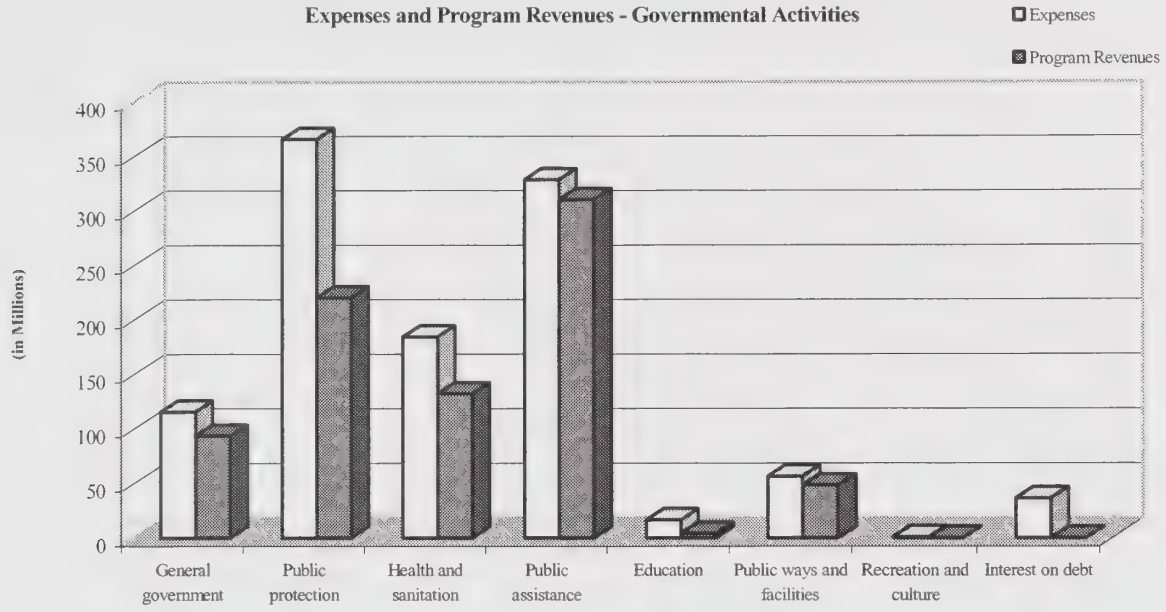
COUNTY'S CHANGE IN NET ASSETS
For the Fiscal Year Ended June 30, 2002
(In Thousands)

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	$ 250,536	290,866	541,402
Operating grants and contributions	544,900	94,474	639,374
Capital grants and contributions	12,573	7,194	19,767
General revenues:			
Taxes	238,684		238,684
Grants/contributions not restricted	77,741		77,741
Investment earnings	27,035	298	27,333
Other	20,158	1,076	21,234
Total revenues	1,171,627	393,908	1,565,535
Expenses:			
General government	115,534		115,534
Public protection	365,757		365,757
Health and sanitation	184,109		184,109
Public assistance	328,450		328,450
Education	16,364		16,364
Public ways and facilities	56,197		56,197
Recreation and culture	793		793
Interest on debt	36,340		36,340
County hospital		229,584	229,584
Health maintenance organization		112,386	112,386
Airport		4,323	4,323
Housing authority		65,038	65,038
Major risk medical insurance		931	931
Sheriff law enforcement training center		1,106	1,106
Total expenses	1,103,544	413,368	1,516,912
Change in net assets before transfers	68,083	(19,460)	48,623
Transfers	(11,063)	11,063	
Change in net assets	57,020	(8,397)	48,623
Net assets, beginning of year	771,619	75,129	846,748
Net assets, end of year	$ 828,639	66,732	895,371

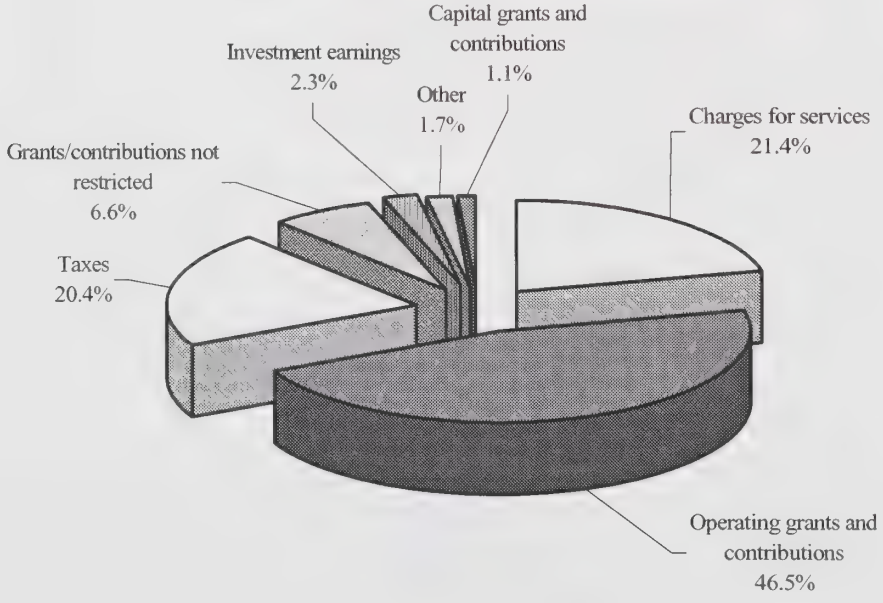
Analysis of the Changes in Net Assets

The County's net assets increased $48,623,000 during fiscal year 2001-2002. Governmental activities increased net assets by $57,020,000; however, business-type activities decreased net assets by $8,397,000. The changes are explained below in the governmental activities and business-type activities discussions.

Expenses and Program Revenues - Governmental Activities



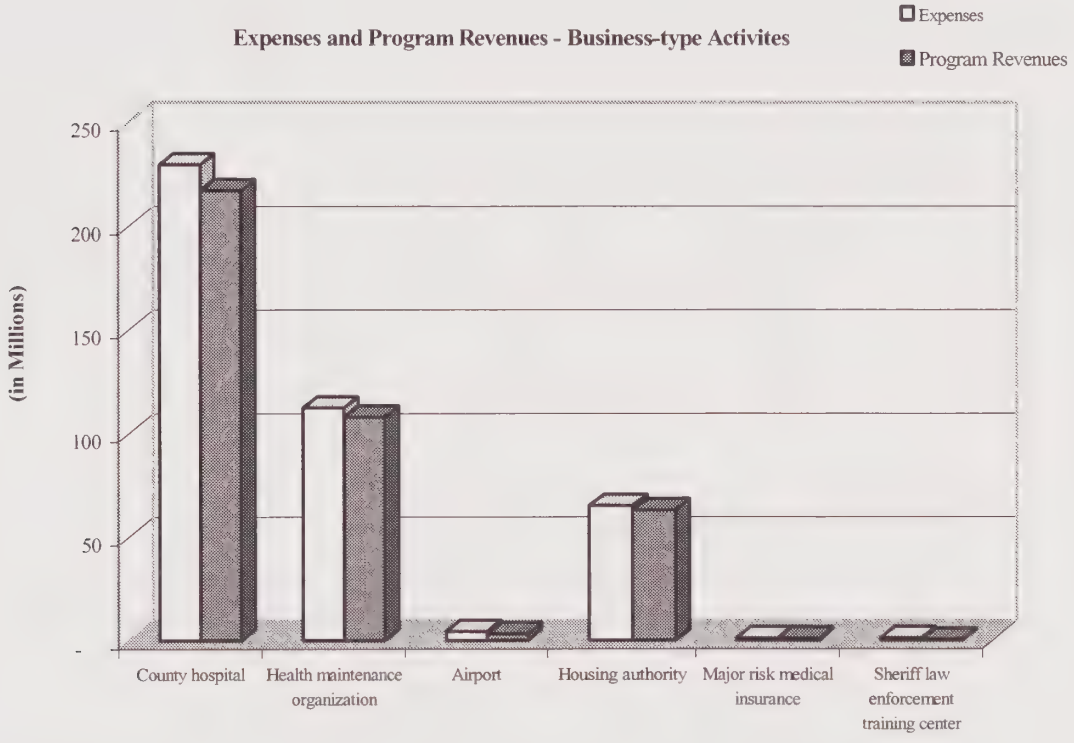
Revenues by Source - Governmental Activities



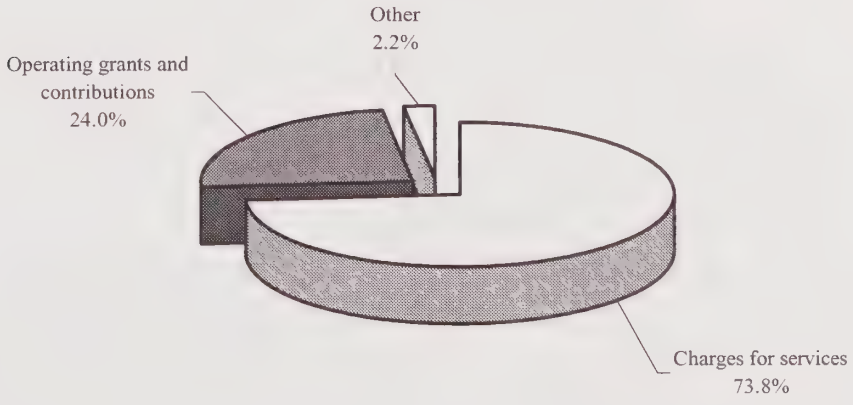
Governmental activities increased the County's net assets by $57,020,000, which was partially offset by a reduction in net assets from business-type activities.

- Property taxes increased as a result of a 10.5 percent increase in assessed valuation. This was due to strength in the real estate market and construction activity in a period of historically low interest rates.
- Grants and contributions were up due to increased State funding for public safety services, family income maintenance and other social services. There was also increased Federal funding for childcare, highway construction and family support services.

Expenses and Program Revenues - Business-type Activites



Revenues by Source - Business-type Activities



Business-type activities decreased the County's net assets by $8,397,000. Expenses exceeded program revenues in the County Hospital, Health Maintenance Organization, Airport, Housing Authority and Sheriff Law Enforcement Training Center.

- The cost of medical services and supplies exceeded the increases in funding sources for the costs.
- The Sheriff Law Enforcement Training Center began operation in fiscal year 2001-2002 and incurred start-up costs that were not yet recovered.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As noted earlier, this is the first year the County has reported its financial activities and balances in accordance with GASB Statement No. 34. To comply with this Statement, many of the financial balances and activities previously reported in trust and agency funds were reclassified and are now reported in governmental funds. The County has not restated prior year information for the purpose of providing the comparative data for the Management's Discussion and Analysis (MD&A) because some of that information was not readily available. However, in future years, that prior year information will be available and a comparative analysis of County fund data will be presented. The following is an analysis of the activities of the County's funds for fiscal year 2001-2002 as reported in the fund-basis statements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of government funds reported by the County include the General, special revenue, debt service, capital projects and permanent funds.

As of June 30, 2002, the County's governmental funds reported combined ending fund balances of $468,266,000, an increase of $20,227,000 in comparison with the prior year. Approximately $370,868,000, or 79.2 percent of these fund balances, constitutes unreserved fund balances, which are available for spending at the County's discretion. The remainder of fund balances is reserved to indicate that it is not available for new spending because it has already been committed: (1) for encumbrances - to liquidate contracts and purchase orders of the prior period ($57,608,000), (2) to reflect advances due from other funds and inventories ($6,893,000), (3) to pay debt service ($27,464,000), or (4) for miscellaneous other restricted purposes ($5,433,000).

The General Fund is the primary operating fund of the County. At June 30, 2002, unreserved fund balance of the General Fund was $115,658,000, while total fund balance reached $169,402,000. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 12.5 percent of total General Fund expenditures, while total fund balance represents 18.3 percent.

In the Public Financing Authority Debt Service Fund, which is reported as part of the nonmajor governmental funds, capital outlay expenditures exceeded proceeds from the issuance of debt in fiscal year 2001-2002 by

approximately $12,000,000. This resulted in a similar reduction in fund balance. It is not unusual to have timing differences between funding and expenditures for capital projects.

Proprietary Funds

As mentioned earlier, the County's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets at June 30, 2002, were $20,858,000 for the County Hospital Enterprise Fund, $5,458,000 for the Health Maintenance Organization Enterprise Fund and $48,611,000 for the other enterprise funds. As a result of operations during the year, net assets of the County Hospital Enterprise Fund decreased by $4,562,000, net assets of the Health Maintenance Organization Enterprise Fund increased by $99,000 and the net assets of the other enterprise funds decreased by $2,571,000.

Net assets of the internal service funds were a deficit of $11,830,000. As a result of operations during the year, net assets of the Workers' Compensation Insurance County General Internal Service Fund decreased by $11,799,000, the net assets of the Workers' Compensation Insurance Fire Protection Internal Service Fund decreased by $2,167,000 and the net assets of the other internal service funds increased by $394,000. The County accelerated its Workers' Compensation claim processing to reduce the future effects of rising medical treatment costs but this resulted in the actuary further increasing the reserve for benefits and claim expense. See Note 3 in the notes to the basic financial statements for further information.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County's final budget differs from the original budget in that it contains carry-forward appropriations for various programs and projects, and supplemental appropriations approved during the fiscal year. Total budgeted revenues were increased $138,116,000 or 15.5 percent, in the final budget. Actual revenues were less than final budgeted revenues by $43,114,000, or 4.2 percent. Total budgeted expenditures were increased $141,434,000 or 14.7 percent, in the final budget. Actual expenditures were less than final budgeted expenditures by $179,058,000, or 16.2 percent. Significant factors affecting these changes were as follows:

Original Budget vs. Final Budget

Revenue Variances

- Budgeted Intergovernmental revenues were increased because of additional state and federal grants. State grant increases were for Medi-Cal health care, family income maintenance, public safety services, other social services and miscellaneous State aid. Federal grant increases were for of childcare, highway construction and family support.

- Budgeted Charges for services and Other revenues were increased to include additional funding for remodeling and construction projects.

Expenditure Appropriation Variances

- The Final Budget for General Government - Building Maintenance was increased to reclassify interfund charges as expenditures, which were previously recorded as transfers.

- The Final Budget for General Government - Plant Acquisition included additional appropriations for building and improvement projects that were funded during the year.

- The Final Budget for Public Assistance - Community Development was increased for greater than expected affordable housing construction and acquisition activity under HUD Block Grants.

- The Final Budget for Public Assistance - Employment and Human Services Department (EHSD) Child and Family Services was increased due to additional spending requirements for Foster Care and Aid To Adoption programs.

- The Final Budget for Public Ways and Facilities - Road Construction was increased for projects identified and funded during the year.

Final Budget vs. Actual Amounts

Revenue Variances

- Property taxes were greater than expected as real estate valuations were stronger than anticipated and projected, given the recession.

- Licenses, permits and franchise fees revenue included gas surcharge payments received from Pacific Gas and Electric Company (PG&E). These payments were greater than budgeted, as the increase in energy prices was not anticipated.

- Intergovernmental revenues were less than budgeted because the budgeted revenues included full funding of capital projects and these projects were not completed during the year. State reimbursements to the Employment and Human Services Department were less than expected.

- Charges for services revenues were less than budgeted because some County construction projects were not completed during the year, as planned. The related funding for construction services from other County funds and external sources was not realized.

- Other revenue was less than budgeted because some County construction projects were not completed during the year, as planned. The related funding for other construction costs from other County funds and external sources was not realized.

Expenditure Variances

- The Final Budget for General Government - Employee Benefits included appropriations to fund employee benefits, improve the countywide payroll system, and manage the employee benefit programs that were less than anticipated.

- The Final Budget for General Government - Plant Acquisition included appropriations for various building improvement and construction projects that were not completed during the year.

- The Final Budget for Public Assistance - EHSD Workforce Services included appropriations based on expected Intergovernmental revenues that were not realized.

- The Final Budget for Public Ways and Facilities - Public Works included appropriations for the design, construction and maintenance of County roads that were not completed during the year.

- The Final Budget for Public Ways and Facilities - Road Construction included appropriations for construction of the State Route 4 Bypass project that was not completed during the year.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

COUNTY'S CHANGES IN CAPITAL ASSETS
(Net of Depreciation)
(In Thousands)

	Governmental activities		Business-type activities		Total		Increase/ (Decrease)
	2002	2001 as restated	2002	2001 as restated	2002	2001 as restated	Percent Change
Infrastructure	$ 239,221	227,837			239,221	227,837	5.0 %
Land and easements	60,108	59,997	10,464	10,464	70,572	70,461	0.2
Structures and improvements	238,772	232,544	130,564	136,806	369,336	369,350	
Equipment	42,379	41,284	13,967	18,795	56,346	60,079	(6.2)
Construction in progress	53,502	22,810	36,539	25,051	90,041	47,861	88.1
Total	$ 633,982	584,472	191,534	191,116	825,516	775,588	6.4 %

The County's investment in capital assets for its governmental and business type activities as of June 30, 2002, amounted to $825,516,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, drainage systems, and bridges. The total increase in the County's investment in capital assets for fiscal year 2001-2002 was 6.4 percent (an 8.5 percent increase for governmental activities and a 0.2 percent increase for business-type activities).

Major capital asset events during fiscal year 2001-2002 included the following:

- Construction in progress on two office buildings for the Employment and Human Services Department in Antioch amounted to $12,110,000 for the year.

- Construction in progress on a 242-bed expansion of Juvenile Hall amounted to $10,386,000 for the year.

- Construction in progress on a new five-courtroom Family Law Center amounted to $6,491,000 for the year.

- Construction in progress on roads amounted to $8,070,000 for the year.

- Construction in progress on drainage systems amounted to $14,187,000 for the year.

- Construction in progress on hospital ambulatory care clinics amounted to $9,778,000 for the year.

At June 30, 2002, the County had construction commitments totaling $36,063,000 as described in Note 19.E in the notes to the basic financial statements. Additional information on the County's capital assets can be found in Note 7 in the notes to the basic financial statements.

Long-Term Debt

Long-term debt for the governmental and business-type activities are presented below to illustrate changes from the prior year:

COUNTY'S OUTSTANDING DEBT
Capital Lease Obligations, Certificates of Participation, Pension Obligation Bonds, Notes Payable, Other Bonds Payable, Lease Revenue Bonds, Tax Allocation Bonds and Special Assessment Debt
(In Thousands)

	Governmental activities		Business-type activities		Total		Increase/ (Decrease)
	2002	2001	2002	2001	2002	2001	Percent Change
Capital lease obligations	$ 16,238	8,988	2,146	2,748	18,384	11,736	56.6 %
Certificates of participation	58,665	61,465	132,550	135,940	191,215	197,405	(3.1)
Pension obligation bonds	281,425	297,340			281,425	297,340	(5.4)
Notes payable		6	984	1,044	984	1,050	(6.3)
Other bonds payable	8,055	8,505			8,055	8,505	(5.3)
Lease revenue bonds	111,420	102,245	31,760	32,010	143,180	134,255	6.6
Tax allocation bonds	54,525	55,360			54,525	55,360	(1.5)
Special assessment debt	18,589	20,276			18,589	20,276	(8.3)
Total	$ 548,917	554,185	167,440	171,742	716,357	725,927	(1.3) %

At June 30, 2002, the County had total long-term debt outstanding of $716,357,000. The County's legal debt limit was $4,674,510,000. The County's total debt decreased by $9,570,000, or 1.3 percent, during fiscal year 2001-2002.

In June 2002, the County of Contra Costa Public Financing Authority issued $12,650,000 in lease revenue bonds to finance various capital projects of the County.

The County's credit ratings for pension obligation bonds are AA- by Standard & Poors and Aa3 by Moody's Investors Service. Its credit ratings for lease revenue bonds and certificates of participation are AA- by Standard & Poors and A1 by Moody's Investors Service.

Additional information of the County's long-term debt can be found in Note 11 in the notes to the basic financial statements.

KNOWN FACTS, DECISIONS AND CONDITIONS THAT ARE EXPECTED TO HAVE A SIGNIFICANT EFFECT ON FINANCIAL POSITION OR RESULTS OF OPERATIONS

- The State has suffered from the economic slowdown, and the threat of terrorist activities. Due in part to its diversity, the County's economy has been fairly resiliant, as evidenced by only a 1.5 percent increase in

unemployment since October 2001. However, governmental revenues have been hit harder than the overall economy. The State benefited substantially from income taxes received from capital gains and stock options during the market rise in the late 1990's to 2001. In fiscal year 2000-2001, State revenue from this source peaked at $17.7 billion, which amounted to nearly 25 percent of State General Fund revenue. One year later, this revenue fell $8.2 billion to $9.5 billion. As a result of this and other factors, the State is addressing a $35 billion shortfall of projected revenues compared to expenditures for the 18-month period of January 1, 2003, through June 30, 2004. This is expected to lead to a significant, but undetermined, reduction of County revenue. The County receives approximately 20 percent of its revenues from taxes and a significant portion of the remainder is provided by the State.

- To attract and maintain a high quality workforce the County must provide salaries and benefits competitive with other potential employers such as the State, other governmental entities and the private sector. In recognition of this fact, the Board of Supervisors and most of the employee organizations agreed to extend their current labor agreements another three years, with new cost-of-living adjustments and an enhanced retirement benefit. The cost-of-living adjustments range from five to six percent for the first year and from three to five percent for each of the second and third years covered by the agreement. The new retirement benefit is commonly known as "3 percent at 50" (for safety members) and "2 percent at 55" (for general members). A further explanation of the retirement benefit can be found in Note 15 in the notes to the basic financial statements.

- As a result of decisions in various lawsuits affecting retirement benefits and the enhanced benefits noted above, the Unfunded Actuarial Accrued Liability (UAAL) for the County is estimated to be $406,000,000 as of December 31, 2001. In addition, approximately $473,000,000 of retirement investment losses attributable to the County had not been recognized as of June 30, 2002. These factors will result in higher costs to the County in future years.

- General Fund subsidies to the County Hospital and Health Maintenance Organization increased $6,249,000 from the prior year to $31,401,000 and $4,811,000, respectively. State budget cuts are expected and costs continue to rise more rapidly than revenue. Even with cost containment efforts in place, similar subsidies are expected to recur in fiscal year 2002-2003.

- All of these factors were considered in preparing the County's budget for fiscal year 2002-2003.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Auditor-Controller, 625 Court Street, Room 103, Martinez, CA 94553-1282.

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

COUNTY OF CONTRA COSTA

STATEMENT OF NET ASSETS

JUNE 30, 2002

(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Children and Familes First Commission
Assets:				
Cash and investments	$ 476,700	78,035	554,735	38,939
Receivables (net)	148,952	45,316	194,268	2,088
Inventories	1,872	1,167	3,039	
Internal balances	16,108	(16,108)		
Due from fiduciary funds	13,934		13,934	
Due from component unit	354		354	
Notes receivable	36,525	1,659	38,184	
Prepaid items and deposits	2,625	3,938	6,563	19
Land held for resale	1,286		1,286	
Prepaid pension asset	278,723		278,723	
Restricted cash and investments	72,583	11,376	83,959	
Capital assets:				
Nondepreciable	113,610	47,003	160,613	
Depreciable, net	520,372	144,531	664,903	
Total Assets	1,683,644	316,917	2,000,561	41,046
Liabilities:				
Short term notes payable	70,000		70,000	
Accounts payable and accrued liabilities	68,817	43,543	112,360	169
Accrued interest payable	3,888	1,379	5,267	
Due to fiduciary funds		385	385	
Due to primary government				354
Welfare program advances	4,864		4,864	
Deferred revenue	36,330	37,058	73,388	
Long-term liabilities:				
Due within one year	51,241	6,207	57,448	
Due in more than one year	619,865	161,613	781,478	
Total Liabilities	855,005	250,185	1,105,190	523
Net Assets:				
Invested in capital assets, net of related debt	437,866	38,558	476,424	
Restricted for:				
Legally segregated taxes, grants and fees	232,651		232,651	
Debt service	24,751	11,376	36,127	
Permanent Fund:				
Expendable	353		353	
Nonexpendable	1,726		1,726	
Children's programs				33,558
Unrestricted	131,292	16,798	148,090	6,965
Total Net Assets	$ 828,639	66,732	895,371	40,523

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

Function/Program Activities:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	$ 115,534	73,680	19,682	
Public protection	365,757	100,344	119,742	76
Health and sanitation	184,109	51,533	80,561	
Public assistance	328,450	1,648	308,577	
Education	16,364	738	3,152	
Public ways and facilities	56,197	22,557	13,134	12,497
Recreation and culture	793	36	52	
Interest on debt	36,340			
Total Governmental Activities	1,103,544	250,536	544,900	12,573
Business-type activities:				
County hospital	229,584	178,040	31,886	7,194
Health maintenance organization	112,386	105,157	2,757	
Airport	4,323	3,002	130	
Housing authority	65,038	3,536	59,459	
Major risk medical insurance	931	931		
Sheriff law enforcement training center	1,106	200	242	
Total Business-type Activities	413,368	290,866	94,474	7,194
Total Primary Government	$ 1,516,912	541,402	639,374	19,767
Component Unit:				
Children and Families First Commission	$ 4,696		16,643	

GENERAL REVENUES:
Taxes:
Property
Sales
Other
Grants/contributions not restricted
Investment earnings
Other
TRANSFERS

Total general revenues and transfers

Change in net assets

NET ASSETS, BEGINNING OF YEAR

NET ASSETS, END OF YEAR

See accompanying notes to the basic financial statements.

Net (Expenses) Revenues and Changes in Net Assets			
Governmental Activities	Business-type Activities	Total	Component Unit
(22,172)		(22,172)	
(145,595)		(145,595)	
(52,015)		(52,015)	
(18,225)		(18,225)	
(12,474)		(12,474)	
(8,009)		(8,009)	
(705)		(705)	
(36,340)		(36,340)	
(295,535)		(295,535)	
	(12,464)	(12,464)	
	(4,472)	(4,472)	
	(1,191)	(1,191)	
	(2,043)	(2,043)	
	(664)	(664)	
	(20,834)	(20,834)	
(295,535)	(20,834)	(316,369)	
			11,947
$			
211,376		211,376	
11,616		11,616	
15,692		15,692	
77,741		77,741	
27,035	298	27,333	733
20,158	1,076	21,234	
(11,063)	11,063		
352,555	12,437	364,992	733
57,020	(8,397)	48,623	12,680
771,619	75,129	846,748	27,843
$ 828,639	66,732	895,371	40,523

COUNTY OF CONTRA COSTA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2002
(In Thousands)

	General	Other Funds	Total
Assets:			
Cash and investments	$ 59,033	340,306	399,339
Accounts receivable and accrued revenue (net)	135,481	11,656	147,137
Inventories	1,872		1,872
Due from other funds	66,311	12,075	78,386
Due from component unit	354		354
Advances to other funds	138	4,883	5,021
Notes receivable	29,246	7,279	36,525
Prepaid items and deposits	1,801	413	2,214
Land held for resale		1,286	1,286
Restricted cash and investments	72,583		72,583
Total Assets	$ 366,819	377,898	744,717
Liabilities and Fund Balances			
Liabilities:			
Short term notes payable	$ 70,000		70,000
Accounts payable and accrued liabilities	56,267	12,550	68,817
Due to other funds	18,482	34,475	52,957
Welfare program advances	4,864		4,864
Advances from other funds		5,021	5,021
Deferred revenue	47,804	26,988	74,792
Total Liabilities	197,417	79,034	276,451
Fund Balances:			
Reserved for:			
Encumbrances	50,342	7,266	57,608
Inventories	1,872		1,872
Advances to other funds	138	4,883	5,021
Prepaid items and deposits	1,392	413	1,805
Land held for resale		1,286	1,286
Housing projects		616	616
Debt service		27,464	27,464
Nonexpendable permanent funds		1,726	1,726
Unreserved, reported in:			
General fund	115,658		115,658
Special revenue funds		176,792	176,792
Debt service funds		29,092	29,092
Capital projects funds		48,973	48,973
Permanent fund		353	353
Total Fund Balances	169,402	298,864	468,266
Total Liabilities and Fund Balances	$ 366,819	377,898	744,717

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2002

(In Thousands)

Fund balances - total governmental funds (page 20)		$ 468,266
Amounts reported for governmental activities in the statement of net assets are different because:		
The pension assets resulting from contributions in excess of the annual required contribution in 2001 are not financial resources and therefore not reported in the funds.		278,723
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		633,982
Accrued revenue, which is not available soon enough to pay for the current period's expenditures, is deferred in the governmental funds.		1,937
Notes receivable are not available to pay current-period expenditures and, therefore, are deferred in the governmental funds.		36,525
Internal service funds are used by management to charge the costs of self insurance to individual funds. The assets and liabilities of these funds, except for the medical liability insurance fund, are included as governmental activities in the statement of net assets.		(3,639)
Interest on long-term debt is recognized as it accrues, regardless of when it is due.		(3,888)
Costs of issuance on 2002 lease revenue bond are not recognized as current year expenditures and are deferred.	$ 412	
Current year amortization of costs of issuance on 2002 lease revenue bond.	(1)	411
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Certificates of participation	(58,665)	
Lease revenue bonds	(111,420)	
Tax allocation bonds	(54,525)	
Special assessment bonds	(18,589)	
Other bonds payable	(8,055)	
Pension obligation bonds	(281,425)	
Capital lease obligations	(16,238)	
Compensated absences	(34,761)	(583,678)
Net assets of governmental activities (page 17)		$ 828,639

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	General Fund	Other Funds	Total
Revenues:			
Taxes	$ 200,571	122,064	322,635
Licenses, permits and franchise fees	23,782	11,495	35,277
Fines, forfeitures and penalties	14,508	4,017	18,525
Use of money and property	10,527	13,237	23,764
Intergovernmental	506,352	39,372	545,724
Charges for services	155,713	40,875	196,588
Other revenue	74,613	19,667	94,280
Total Revenues	986,066	250,727	1,236,793
Expenditures:			
Current:			
General government	128,375	1,976	130,351
Public protection	254,070	123,941	378,011
Health and sanitation	172,613	9,551	182,164
Public assistance	315,112	22,561	337,673
Education	205	16,162	16,367
Public ways and facilities	45,679	43,151	88,830
Recreation and culture		1,099	1,099
Debt service:			
Principal		25,110	25,110
Bond issuance cost		412	412
Interest	2,215	34,092	36,307
Capital outlay	7,415	24,821	32,236
Total Expenditures	925,684	302,876	1,228,560
Excess (Deficiency) of Revenues Over (Under) Expenditures	60,382	(52,149)	8,233
Other Financing Sources (Uses):			
Transfers in	23,568	48,662	72,230
Transfers out	(76,347)	(6,946)	(83,293)
Proceeds from the sale of real estate		500	500
Proceeds from issuance of debt		12,650	12,650
Capital lease financing	9,907		9,907
Total Other Financing Sources (Uses)	(42,872)	54,866	11,994
Net Change in Fund Balances	17,510	2,717	20,227
Fund Balances at Beginning of Year, as Previously Reported	144,607	257,017	401,624
Adjustments to beginning fund balances	7,285	39,130	46,415
Fund Balances at Beginning of Year, as Restated	151,892	296,147	448,039
Fund Balances at End of Year	$ 169,402	298,864	468,266

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

Net change in fund balances - total governmental funds (page 22)			$ 20,227
Amounts reported for governmental activities in the statement of activities are different because:			
Revenues that were deferred in the governmental funds because they were unavailable are reported as current revenue.			12,953
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Expenditures for capital assets	$ 88,677		
Less loss on sale/retirement of capital assets	(3,753)		
Less current year depreciation	(35,414)		49,510
Some income reported in the governmental funds was previously reported in the statement of activities and therefore is not reported as current income.			(500)
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.			
Proceeds from lease revenue bonds	(12,650)		
Deferral of bond issuance cost	412		
Principal payments	27,768		
Issuance of capital lease	(9,907)		5,623
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Change in long-term compensated absences	(3,601)		
Amortization of pension asset	(14,835)		
Amortization of bond issuance cost	(1)		
Change in accrued interest payable	(142)		(18,579)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.			(12,214)
Change in net assets of governmental activities (page 19)			$ 57,020

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF FUND NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2002

(In Thousands)

	Enterprise Funds				
	County Hospital	Health Maintenance Organization	Other	Total	Internal Service Funds
Assets:					
Current assets:					
Cash and investments	$ 39,045	21,760	13,726	74,531	80,865
Accounts receivable and accrued revenue (net)	41,243	901	3,172	45,316	1,815
Inventories	1,158		9	1,167	
Due from other funds	11,131	3,816	97	15,044	1,820
Notes receivable			1,659	1,659	
Prepaid items and deposits	3,589	158	191	3,938	
Total Current Assets	96,166	26,635	18,854	141,655	84,500
Restricted cash and investments	11,376			11,376	
Capital assets:					
Nondepreciable	32,762		14,241	47,003	
Depreciable, net	113,762	94	30,675	144,531	
Total Assets	$ 254,066	26,729	63,770	344,565	84,500
Liabilities and Net Assets					
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	$ 25,796	15,306	2,441	43,543	
Accrued interest payable	1,325		54	1,379	
Due to other funds	20,382	5,690	1,393	27,465	1,275
Deferred revenue	29,352		7,706	37,058	
Current portion of long-term liabilities	4,209	27	709	4,945	19,079
Total Current Liabilities	81,064	21,023	12,303	114,390	20,354
Noncurrent portion of long-term liabilities:					
Capital lease obligations			1,546	1,546	
Certificates of participation, net	115,343			115,343	
Compensated absences	5,689	248	391	6,328	
Claims payable					75,976
Bonds and notes payable, net	31,112		919	32,031	
Total Noncurrent Liabilities	152,144	248	2,856	155,248	75,976
Total Liabilities	233,208	21,271	15,159	269,638	96,330
Net Assets (Deficit):					
Invested in capital assets, net of related debt	(3,508)	94	41,972	38,558	
Restricted for debt service	11,376			11,376	
Unrestricted (Deficit)	12,990	5,364	6,639	24,993	(11,830)
Total Net Assets (Deficit)	20,858	5,458	48,611	74,927	(11,830)
Total Liabilities and Net Assets	$ 254,066	26,729	63,770		84,500
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(8,195)	
Net assets of business-type activities (page 17)				$ 66,732	

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2002

(In Thousands)

	Enterprise Funds				
	County Hospital	Health Maintenance Organization	Other	Total	Internal Service Funds
Operating Revenues:					
Charges for services	$ 178,040	105,157	7,669	290,866	31,429
Other revenue			1,074	1,074	1,036
Total Operating Revenues	178,040	105,157	8,743	291,940	32,465
Operating Expenses:					
Salaries and employee benefits	134,768	6,199	1,494	142,461	
Services and supplies	64,662	105,977	2,346	172,985	9,618
Benefit and claim expense					42,706
Other charges	9,503		62,253	71,756	
Depreciation	6,530	14	4,839	11,383	
Total Operating Expenses	215,463	112,190	70,932	398,585	52,324
Operating loss	(37,423)	(7,033)	(62,189)	(106,645)	(19,859)
Nonoperating Revenues (Expenses)					
State and federal grants	31,886	2,757	59,831	94,474	10
Investment income			294	294	3,277
Interest expense	(9,977)		(437)	(10,414)	
Total Nonoperating Revenues (Expenses)	21,909	2,757	59,688	84,354	3,287
Loss before Capital Contributions and Transfers	(15,514)	(4,276)	(2,501)	(22,291)	(16,572)
Capital contributions	7,194			7,194	
Transfers in	32,626	4,811		37,437	3,000
Transfers out	(28,868)	(436)	(70)	(29,374)	
Change in Net Assets	(4,562)	99	(2,571)	(7,034)	(13,572)
Total Net Assets at Beginning of the Year, as Previously Reported	23,566	5,286	51,825	80,677	2,497
Adjustments to beginning net assets	1,854	73	(643)	1,284	(755)
Total Net Assets at Beginning of the Year, as Restated	25,420	5,359	51,182	81,961	1,742
Total Net Assets at End of Year	$ 20,858	5,458	48,611	74,927	(11,830)

Reconciliation of enterprise funds change in net assets to statement of activities:

Change in net assets of enterprise funds.	$ (7,034)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.	(1,363)
Change in net assets of business-type activities (page 19)	$ (8,397)

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Enterprise Funds				
	County Hospital	Health Maintenance Organization	Other	Total	Internal Service Funds
Cash Flows from Operating Activities:					
Cash received from customers/other funds	$ 172,775	114,140	15,805	302,720	30,253
Cash payment to suppliers for goods and services	(78,053)	(106,600)	(61,132)	(245,785)	(38,300)
Cash payment to employees for services	(133,811)	(6,192)	(7,639)	(147,642)	
Net Cash Provided by (Used for) Operating Activities	(39,089)	1,348	(52,966)	(90,707)	(8,047)
Cash Flows from Noncapital Financing Activities:					
State and federal grants	31,886	2,757	59,831	94,474	10
Transfers received	32,626	4,811		37,437	3,000
Transfers paid	(28,868)	(436)	(70)	(29,374)	
Due to other funds			772	772	72
Net Cash Provided by Noncapital Financing Activities	35,644	7,132	60,533	103,309	3,082
Cash Flows from Capital and Related Financing Activities:					
Capital contributions	7,194			7,194	
Acquisition and construction of capital assets	(11,843)		(2,217)	(14,060)	
Interest paid	(8,652)		(205)	(8,857)	
Lease purchase obligation principal payment	(2)		(600)	(602)	
Principal paid on bonds and certificates	(3,390)			(3,390)	
Payment on other non-current obligations	(250)		(60)	(310)	
Net Cash Used for Capital and Related Financing Activities	(16,943)		(3,082)	(20,025)	
Cash Flows from Investing Activities:					
Interest received on investments			294	294	3,277
Investments, net			(321)	(321)	
Net Cash Used for Investing Activities			(27)	(27)	3,277
Net Increase (Decrease) in Cash and Cash Equivalents	(20,388)	8,480	4,458	(7,450)	(1,688)
Cash and Cash Equivalents at Beginning of Year	70,809	13,280	9,268	93,357	82,553
Cash and Cash Equivalents at End of Year	$ 50,421	21,760	13,726	85,907	80,865
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:					
Operating loss	$ (37,423)	(7,033)	(62,189)	(106,645)	(19,859)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) Operating Activities:					
Depreciation	6,530	14	4,839	11,383	
Changes in operating assets and liabilities:					
Decrease (increase) in:					
Accounts receivable and accrued revenue, net	(14,593)	3,170	(1,565)	(12,988)	(528)
Inventories	(95)		8	(87)	
Due from other funds	1,289	5,813	5	7,107	(1,684)
Prepaid items and deposits	147		50	197	
Increase (decrease) in:					
Accounts payable and accrued liabilities	7,698	1,479	101	9,278	15,034
Employee benefits payable	414	5	91	510	
Due to other funds	(11,095)	(2,100)	(231)	(13,426)	(1,010)
Deferred revenue	8,039		5,925	13,964	
Net Cash Provided by (Used for) Operating Activities	$ (39,089)	1,348	(52,966)	(90,707)	(8,047)
Noncash capital financing activities (Hospital)					
Accrued Interest	$ 1,325				
Bond deferral/OIP amortization	702				
Capital asset adjustment	2,137				

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2002*

(In Thousands)

	Pension Trust	Investment Trust	Private-Purpose Trust	Agency Funds
Assets:				
Cash and investments	$ 2,718,985	833,589	9,148	$ 129,591
Receivables	46,606		128	11,747
Due from other funds	1,884	1,339	5	9,797
Taxes receivables				127,473
Prepaid items and deposits	344			
Capital assets, net	574			
Total Assets	2,768,393	834,928	9,281	$ 278,608
Liabilities:				
Warrants outstanding		56,186		40,133
Accounts payable and accrued liabilities	63,396		212	34,521
Employee benefits payable	268			
Due to other funds		1,492	3	25,343
Deferred revenue			28	
Unapportioned taxes				81,959
Tax loss guarantees				27,032
Due to other agencies				69,620
Total Liabilities	63,664	57,678	243	$ 278,608
Net Assets:				
Held for:				
Employees' pension benefits	2,704,729			
Participation in individually directed investment accounts		777,250	9,038	
Total Net Assets	$ 2,704,729	777,250	9,038	

* Pension Trust Fund reported as of December 31, 2001.

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002*

(In Thousands)

	Pension Trust	Investment Trust	Private-Purpose Trust
Additions:			
Employer contributions	$ 55,182		
Employee contributions	18,681		
Contributions to investment accounts		2,612,446	
Intergovernmental			700
Other revenue			4,387
Net investment income (loss)	(105,084)	29,722	176
Investment expense	(9,448)		
Total Additions	(40,669)	2,642,168	5,263
Deductions:			
Benefits paid	138,533		
Refunds of contributions	858		
Distribution from investment accounts		2,622,933	
Administrative and other expenses	3,745		2,567
Prepayment discount	2,920		
Other	607		3,505
Membership withdrawal	10,791		
Total Deductions	157,454	2,622,933	6,072
Change in Net Assets	(198,123)	19,235	(809)
Net Assets Held In Trust at Beginning of Year, as Previously Reported	2,931,262	758,015	
Prior period adjustment	(28,410)		9,847
Net Assets Held In Trust at Beginning of Year, as Restated	2,902,852	758,015	9,847
Net Assets Held In Trust at End of Year	$ 2,704,729	777,250	9,038

*Pension Trust Fund reported for Year Ended December 31, 2001.

See accompanying notes to the basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Contra Costa (the County) conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the more significant policies:

A. Definition of Reporting Entity

The County is a political subdivision created by the State of California. As such, it can exercise powers specified by the Constitution and statutes of the State. The County is governed by a five member elected Board of Supervisors (the Board). The Board is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including law and justice, education, detention, social, health, hospital, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board.

Blended Component Units

Housing Authority of the County of Contra Costa

The Housing Authority of the County of Contra Costa (Housing Authority) was established to provide housing for the County's low and moderate income residents. Its board members are the same as the County Board of Supervisors. The financial activities of the Housing Authority are reported as an Enterprise Fund. The fiscal year of the Housing Authority ends on March 31st and its financial activities are reported as of that date.

Contra Costa County Redevelopment Agency

The Contra Costa County Redevelopment Agency (RDA) was established for the purpose of redeveloping certain areas of the County designated as project areas. Its board members are the same as the County Board of Supervisors. The financial activities of the RDA are included in the special revenue, debt service and capital projects funds which are reported as nonmajor governmental funds.

Contra Costa County Public Facilities Corporation

The Contra Costa County Public Facilities Corporation (PFC) was established to provide financing for the acquisition, construction, improvement and remodeling of public buildings and facilities for the County. The County appoints a voting majority of the governing board and is able to impose its will on the Corporation. The activities of the Corporation are included in a debt service fund which is reported as part of the nonmajor governmental funds and in the County Hospital Enterprise Fund.

County of Contra Costa Public Financing Authority

The County of Contra Costa Public Financing Authority (PFA) is a joint powers authority consisting of the County and the RDA. The PFA was established to provide for the financing of public improvements, obligations, working capital and liability or other insurance programs of the County and the RDA. The members of the County Board of Supervisors also serve as the Directors of the PFA. The activities of the PFA are included in a debt service fund which is reported as part of the nonmajor governmental funds and in the County Hospital Enterprise Fund.

Contra Costa County Employees' Retirement Association

The Contra Costa County Employees' Retirement Association (CCCERA) was established to provide retirement benefits to employees of the County and other member agencies. The CCCERA provides a majority of its services for the benefit of the County and, therefore, is reported as a pension trust fund in the basic financial statements. The fiscal year of the CCCERA ends on December 31st and its financial activities are reported as of that date.

In-Home Supportive Services Public Authority

The Contra Costa County Board of Supervisors, pursuant to Welfare and Institutions Code Section 12301.6, established the In-Home Supportive Services Public Authority (IHSS). This Authority provides screening, training and referral of in-home supportive service providers and assists recipients in finding qualified persons to assist eligible individuals who are unable to care for themselves at home. The activities of the IHSS are included in a special revenue fund which is reported as part of the nonmajor governmental funds.

Special Districts and Service Areas

The County has 41 agencies referred to as County Special Districts and Service Areas. Each is established by the County for the purpose of providing specific services in a defined geographic area. Their board members are the same as the County Board of Supervisors. These agencies and the

Special Revenue Fund in which each is included are: Fire Protection - Bethel Island Fire Protection District, Contra Costa Fire Protection District, Crockett-Carquinez Fire Protection District, East Diablo Fire Protection District, Oakley Fire Protection District; Flood Control - Flood Control District, Storm Drainage District, Storm Drain Maintenance District No. 4 and Storm Drain District No. Z-16; Health and Sanitation - Sanitation Districts Nos. 5 and 6; Service Areas - Service Areas D-2, EMS-1, L-100, LIB-2, LIB-10, LIB-12, LIB-13, M-1, M-8, M-16, M-17, M-20, M-23, M-25, M-26, M-27, M-28, M-29, M30, R-4, R-7, R-9, R-10, RD-4 and Discovery Bay West Parking District; Law Enforcement - Service Areas P-1, P-2, P-5 and P-6; Other Special Revenue - Contra Costa County Water Agency. These special revenue funds are reported as nonmajor governmental funds.

Discretely Presented Component Unit

Children and Families First Commission

The Contra Costa Children and Families First Commission (the Commission) was established to implement the provisions of Proposition 10, adopted by the voters in 1998. Proposition 10 added Division 108 (commencing with Section 130100) to the Health and Safety Code. It provides for a State tax on the sale of tobacco products and also provides that this revenue be spent for early childhood development programs by the Commission. The County Board of Supervisors appoints all nine members (and nine alternate members) of the Commission and is able to impose its will on the Commission. Two members of the Board of Supervisors serve on the Commission. The Commission provides most of its services directly to the citizens of the County. The financial activity of the Commission is reported in separate columns on the government-wide financial statements.

Complete audited financial statements for each of the individual component units are issued separately and may be obtained at the unit's administrative offices as follows:

Housing Authority of the County of Contra Costa
3133 Estudillo Street, Martinez, CA 94553

Contra Costa County Public Facilities Corporation
1220 Morello Ave., Suite 100, Martinez, CA 94553

County of Contra Costa Public Financing Authority
651 Pine Street, 6th Floor, Martinez, CA 94553

Contra Costa County Redevelopment Agency
651 Pine Street, 5th Floor North Wing, Martinez, CA 94553

Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221, Concord, CA 94520

Contra Costa Children and Families First Commission
1340 Arnold Drive, Suite 125, Martinez, CA 94553

In-Home Supportive Services Public Authority
40 Douglas Drive, Martinez, CA 94553

B. New Accounting Pronouncements Implemented During the Year

New Reporting Model: GASB Statement No. 34

In June 1999, The Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* GASB Statement No. 34 provides for the most significant change in financial reporting in over twenty years with changes to governmental financial reporting, including changes in the basic financial statements. This new governmental reporting model is effective for the County beginning with fiscal year 2001-2002, the period covered by these statements.

GASB Statement No. 34, requires the presentation of government-wide financial statements and fund financial statements. The new government-wide financial statements are prepared using the accrual basis of accounting and the economic resources measurement focus. The government-wide financial statements include the reporting of long-term liabilities and capital assets such as buildings, roads, drainage facilities, and other infrastructure within the governmental and the business-type activities. Depreciation expenses and accumulated depreciation, which were not previously reported for governmental funds, are also displayed on the government-wide financial statements. The capital assets and related depreciation also include the costs and depreciation of infrastructure assets, which were not previously capitalized and depreciated.

The fund financial statements for the governmental funds continue to be prepared under the modified accrual basis of accounting. Fund financial statements are shown separately for specific major governmental funds, and in total for all other nonmajor governmental funds.

Effects of New Pronouncements

The following summarizes recent GASB pronouncements and their impact, if any, on the financial statements:

GASB Statement No. 34 establishes new financial reporting requirements for all governments, nationwide. The main purpose is to provide more understandable and useful governmental financial reports to a wider range of users and enhance the comparability of financial statements.

Under GASB Statement No. 34, the County's basic financial statements present the following components in addition to the fund financial statements and other required supplementary information:

- Management's Discussion and Analysis (MD&A) - The MD&A is the new easily readable narrative that introduces the basic financial statements and provides an analytical overview of the County's financial activities. The narrative should include currently known facts, decisions or conditions that are expected to have a significant effect on the financial position or changes in financial position.

- Government-wide Financial Statements – These financial statements report the financial position and operating results of the County as an economic entity, excluding the information about

fiduciary activities, and are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include the statement of net assets and the statement of activities.

GASB Statement No. 37

In June 2001, GASB issued Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus – an Amendment of GASB Statements No. 21, Accounting for Escheat Property and No. 34.* This statement is effective for the same period as GASB Statement No. 34 and either clarifies or modifies certain provision in GASB Statements No. 21 and No. 34. It establishes guidance in the following areas: reporting of escheat property, topics for discussion in the MD&A, program revenue classifications, the minimum level of detail required for business-type activities in the statement of activities, etc.

GASB Statement No. 38

In June 2001, the GASB issued Statement No. 38, *Certain Financial Statement Note Disclosures.* This statement modifies, adds and deletes various note disclosure requirements. Those requirements address revenue recognition policies, debt service requirements, receivable and payable balances, interfund transfers and balances, and short-term debt.

GASB Interpretation No. 6

In March 2000, the GASB issued Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.* This interpretation clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

The County has implemented GASB Statement Nos. 34, 37 and 38 and Interpretation No. 6 and these statements are presented according to those requirements. A summary of the adjustments required to implement these statements is presented in Note 2.

C. Basis of Presentation

Government-Wide Financial Statements

GASB Statement No. 34 mandates the presentation of two basic government-wide financial statements, the *Statement of Net Assets* and the *Statement of Activities.* The statement of net assets and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County and between the County and its discretely presented component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported

separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of net assets reports the County's financial and capital resources, including infrastructure, as well as the County's long-term obligations. The difference between the County's assets and liabilities is its net assets. Net assets represent the resources that the County has available for use in providing services after its debts are settled.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the governmental activities and each segment of the business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs, including fines and forfeitures, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, management has discretion as to which resources to apply. Generally, restricted resources are depleted before unrestricted. However, when prudent, unrestricted resources may be used first.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The County reports the General Fund as a major governmental fund. The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. In addition to general administration, the General Fund includes such activities as public protection, health and sanitation, public assistance, education, and public ways and facilities.

The County reports the following major enterprise funds:

- The *County Hospital (the Hospital)* accounts for hospital operations involved in providing health services to County residents. Revenues are principally fees for patient services, payments from Federal and State programs such as Medicare, Medi-Cal and Short-Doyle, realignment revenues and subsidies from the General Fund.

- The *Health Maintenance Organization* accounts for the operations of the County's prepaid health plan. Revenues are primarily capitation payments by Medicare and Medi-Cal, premiums by private citizens and realignment revenues.

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's self-insurance programs – employee dental insurance, employee medical insurance, long-term disability, workers' compensation, automotive liability insurance, general liability insurance, state unemployment insurance, medical liability insurance and special district property insurance, on a cost-reimbursement basis.

- The *Pension Trust Fund* accumulates contributions from the County, its employees and other participating employers, and earnings from the fund's investments. Disbursements are made from the fund for retirement, disability and death benefits (based on a defined benefit formula) and administrative expenses. This fund includes all assets of the CCCERA.

- The *Investment Trust Fund* accounts for the assets of legally separate entities who make directed investments through the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

- The *Private-Purpose Trust Fund* accounts for assets held in trust for the City of Oakley related to its redevelopment project area, as well as assets held in trust for others.

- The *Agency Funds* account for assets held by the County as an agent for various local governments.

D. Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County is giving (or receiving) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

For its business-type activities and enterprise funds, the County has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes accounting principles generally accepted in the United States of America for governmental units. The

County has elected not to follow subsequent private-sector guidance of the Financial Accounting Standards Board after November 30, 1989.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes are accrued when their receipt occurs within sixty days after the end of the accounting period, all other revenues, the majority of which are from the state and federal government are accrued when their receipt occurs within one year after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are generally recorded when payment is due. However, where resources have been provided during the current year for payment of interest due early in the following year, the expenditure and related liability are accrued. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

E. Noncurrent Governmental Assets/Liabilities

GASB Statement No. 34 eliminates the presentation of account groups, and instead incorporates the information into the governmental activities column in the government-wide statement of net assets.

F. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the enterprise and internal service funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents. Also included is restricted cash. The restricted cash has been restricted for repayment of debt or as reserves.

G. Investments

Investment transactions are recorded on the trade date. Investments in non-participating interest-earning investment contracts (certificates of deposit and guaranteed investment contracts) are stated at cost, and all other investments are stated at fair value. Fair value is defined as the amount that the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller and is generally measured by quoted market prices.

Under GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, the Pension Trust Fund reports its investments at fair value and includes both realized and unrealized gains and losses on investments in its statement of changes in net assets. The fair values of equity and fixed income securities are derived from quoted market prices. The fair values of private market investments are estimated from fair values provided

by real estate investment funds, generally using periodic independent appraisals, and alternative investment managers. All investment purchases and sales are recorded on the trade date.

The public school districts, cemetery districts, pest control districts, recreation and park districts and resource conservation districts within the County are required by legal provisions to maintain their cash and investments with the County Treasurer. The County Treasurer maintains individually directed investment accounts for these districts. The cash and investments held for these districts are included in the Investment Trust Fund.

H. Inventories

Inventories are valued at cost, which approximates market. Governmental fund inventories are maintained using the weighted average method. Proprietary fund inventories are maintained using the first-in, first-out method. The costs of governmental fund inventories and proprietary fund inventories are recorded as expenditures/expenses at the time individual items are consumed rather than when purchased. Reported inventories of governmental funds are equally offset by a fund balance reservation to indicate that a portion of the fund balance is not available for future appropriation.

I. Notes Receivable

The notes receivable balances in the General Fund consist of loans made with funds provided to the County under the U.S. Department of Housing and Urban Development programs. The loans are made to carry out activities for affordable housing and economic development. Generally, the loans are either deferred or collected on a residual receipts basis with all remaining principal and interest due on the earlier of the due date of the note or sale or transfer of property. Any repayment of principal or interest is treated as program income, the use of which is restricted by federal regulations. As such, these notes receivable are recorded with an offset to deferred revenue in the fund financial statements because the amounts are unavailable.

J. Prepaid Pension Asset

On March 1, 1994, the CCCERA received a payment of $333,724,000 from the County as proceeds from the issuance of pension obligation bonds. The proceeds were used to reduce the County's Unfunded Actuarial Accrued Liability (UAAL) at that time.

K. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) consisting of certain improvements including roads, bridges, water/sewer, lighting system, drainage systems, and flood control. The capitalization threshold for infrastructure is $25,000. The capitalization threshold for permanent structures is $5,000. The capitalization threshold for equipment and vehicles was increased from $3,000 to $5,000 effective July 1, 2001. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of

the capital lease period or their estimated useful lives in the activities within the government-wide financial statements, proprietary funds and the pension trust fund.

The estimated useful lives are as follows:

Infrastructure	25-50 years
Buildings	25-40 years
Improvements	10-20 years
Equipment and vehicles	3-20 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities or extend useful lives, are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Interest is capitalized on construction in progress in the proprietary funds in accordance with Statement of Financial Accounting Standards No. 62, *Capitalization of Interest Cost in Situations Involving Certain Tax Exempt Borrowings and Certain Gifts and Grants*. Accordingly, interest capitalized is the total interest cost from the date of the borrowing net of any allowable interest carried on temporary investments of the proceeds of those borrowings until the specified asset is ready for its intended use.

L. Bond and Certificate of Participation Discounts, Issuance Costs and Deferred Amounts on Refundings

In governmental fund financial statements, bond and certificate of participation discounts, issuance costs and deferred amounts on refundings are recognized in the period incurred. In the government-wide and proprietary fund financial statements, these charges are deferred and amortized over the term of the issuance using the straight-line method, which approximates the effective interest method.

M. Property Tax Levy, Collection and Maximum Rates

The County is responsible for assessing, collecting and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property situated in the County. The levy is based on the assessed values as of the preceding January 1st, which is also the lien date. State code requires tax rates to be set no later than the first workday in September unless the Board of Supervisors elects to extend the deadline to October 3rd. Property taxes on the secured roll are due in two installments: November 1st and February 1st and become delinquent after December 10th and April 10th, respectively. Supplemental property taxes are levied based on changes in assessed values between the date of real property sales or construction completion and the preceding assessment date. The additional supplemental property taxes are prorated from the first day of the month following the date of such occurrence. Property taxes on the unsecured roll are due on the lien date (January 1st), and become delinquent if unpaid by August 31st.

Supplementary taxes that have been collected but unapportioned at year-end and unsecured taxes collected in advance are reported in unapportioned taxes in the Unapportioned Taxes Agency Fund. Secured property taxes are recorded as revenue in the fiscal year of the levy. The County apportions secured property tax revenue in accordance with the alternate method of distribution prescribed by Section 4701 (et al) of the State Revenue and Taxation Code (The Teeter Plan). This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1st of each year.

Under the alternate apportionment method, specified amounts of penalties and interest collected on delinquent secured taxes are held in the Tax Losses Reserve Agency Fund (TLRF). This reserve is used to offset the impact of accumulated delinquency remaining at year-end. The County's management believes that any ownership rights to the TLRF the County may have, are effective only upon transfer or to the extent of losses related to the sale of tax defaulted property. The County has the authority to transfer any amounts in the fund that exceed a legally defined threshold, which when calculated was $5,138,000 at June 30, 2002. The year-end balance in the TLRF was $27,095,000. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County's Teeter Plan.

N. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

O. Vacation and Sick Leave

Under terms of union contracts, County employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation hours. Employees are not reimbursed for accumulated sick leave except management employees who are eligible for a payoff of unused sick leave accruals at resignation. Management employees must have a balance of at least 70.0 percent of their sick leave accruals and have been employed three years or more to be eligible for this benefit. The maximum amount payable under this Sick Leave Incentive Plan is 50.0 percent of accrued sick leave, however, the amount of sick leave payable is considered de

minimis. Accordingly, no accrual for sick leave has been made in the accompanying basic financial statements.

Accrued vacation at June 30, 2002, is valued at $42,060,000, which includes $34,761,000 attributable to the General and Special Revenue Funds, $7,031,000 recorded in Enterprise Funds and $268,000 recorded in the Pension Trust Fund. Amounts attributable to the General and Special Revenue Funds are expected to be claimed in future periods and paid with future resources. Accordingly, this liability is reflected in the government-wide statement of net assets. In the proprietary funds and the Pension Trust Fund, accumulated vacation is recorded as an expense and liability as the benefits accrue to employees. In compliance with GASB Statement No. 16, *Accounting for Compensated Absences*, the amounts reported include estimated employer liability for taxes and workers' compensation premiums.

P. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. FUND EQUITY

A. Restatement of Fund Equity/Net Assets

Fund Reclassifications

Agency Funds – During the current year, the County evaluated its agency funds and moved funds that did not meet the definition of an agency fund under GASB Statement No. 34 to the General Fund, nonmajor governmental funds, nonmajor enterprise funds and private-purpose trust fund. Previously the County had included the following activities in agency funds: road improvement fee receipts, receipts from the U.S. Department of Housing and Urban Development and receipts from benefit districts.

Expendable Trust Funds – GASB Statement No. 34 eliminated the use of expendable trust funds to account for assets held by the County in a trustee capacity for other governmental units. Assets held on behalf of the City of Oakley Redevelopment Agency in connection with the Jurisdictional Transfers Agreement have been retroactively reclassified to a private-purpose trust fund.

Employee Medical Insurance Internal Service Fund – The County evaluated the Employee Medical Insurance Internal Service Fund and determined that it was no longer going to charge other departments on a cost-reimbursement basis for the administration activities related to its health plan, supplemental life insurance, and state disability insurance and its employees' video display terminal benefits. As a result, the functions related to these activities were reclassified from the Internal Service Fund to the General Fund at the beginning of the year. The remaining functions were terminated during the year.

Other Adjustments

Public Financing Authority - The County made an adjustment in the amount of $3,355,000 to the Public Financing Authority's fund balance to adjust for amounts that should have been paid by the Public Facilities Corporation. The County made an adjustment in the amount of $662,000 to the Public Financing Authority's fund balance to adjust for the lease revenue bond cost of issuance to the County Hospital Enterprise Fund.

Interfund Advances - The County made an adjustment to the Flood Control nonmajor special revenue fund to adjust a prior year's advance in the amount of $600,000 to reflect receipts on an advance made in a prior fiscal year. In addition, the County made an adjustment of $6,801,000 to nonmajor governmental funds to record previous year's interfund advances within the Flood Control Funds.

Enterprise Fund Capital Assets - During the year, the County performed a detailed analysis of the enterprise funds' capital assets and initiated cost adjustments to record the proper book value of its capital assets.

Housing Authority Enterprise Fund Adjustments - During the year, the Housing Authority wrote off prior year construction in progress costs totaling $691,000 that were originally associated with the Low Rent Aided Housing Program but did not directly enhance its value. The Housing Authority also adjusted beginning deferred revenue balance related to its Community Development Block Grant and Rental Rehabilitation programs ($621,000), recorded a notes payable ($185,000), and adjusted beginning net assets related to the capital grant program ($125,000).

Other Miscellaneous Adjustments - The County made miscellaneous adjustments to the nonmajor governmental funds to adjust prior year's activity for the Child Development Program ($122,000), revenue accrual adjustments in the Pension Obligation Bond Fund ($37,000), the Assessment District Debt Service Fund ($10,000), and the Assessment District Capital Projects Fund ($19,000). The County also made adjustments to the Redevelopment Agency in the amount of $974,000 in the Special Revenue Funds and $122,000 in the Capital Projects Funds for land held for resale.

Pension Trust Fund Adjustments

Paulson Lawsuit Settlement – The Pension Trust Fund's beginning net assets were reduced by $27,600,000 as a result of the Paulson Lawsuit settlement (see Note 16).

City of Pittsburg – The beginning net assets were decreased by $810,000 for an amount still owed to CalPERS for membership withdrawal plus the remaining contract balance owed by the City of Pittsburg for prior service, as well as the reduction of the designations for facilities/system enhancements and capital outlay that were used by CCCERA during the initial phase of the office expansion project in 2000.

Summary

The impact of the restatements on the fund balances/net assets as previously reported is presented below:

	General Fund	Nonmajor Governmental Funds	County Hospital	Health Maintenance Organization	Nonmajor Enterprise Funds
Fund balances/net assets, June 30, 2001, as previously reported	$ 144,607	257,017	23,566	5,286	51,825
Restatements:					
Fund reclassifications:					
Agency Funds	6,530	40,274			50
Expendable Trust Funds					
Employee Medical Insurance Internal Service Fund	755				
Other adjustments:					
Public Financing Authority		4,017			
Interfund Advance		(6,201)			
Capital Assets			1,854	73	929
Housing Authority					(1,622)
Miscellaneous		1,040			
Pension Trust Fund adjustments:					
Paulson Lawsuit Settlement					
City of Pittsburg					
Total restatements	7,285	39,130	1,854	73	(643)
Fund balances/net assets, June 30, 2001, as restated	$ 151,892	296,147	25,420	5,359	51,182

Internal Service Funds	Pension Trust Fund	Expendable Trust Funds	Private-Purpose Trust Fund
2,497	2,931,262	6,962	
			2,885
		(6,962)	6,962
(755)			
	(27,600)		
	(810)		
(755)	(28,410)	(6,962)	9,847
1,742	2,902,852		9,847

B. Schedule of Beginning Net Assets for Governmental Activities on the Government-wide Statement of Activities

The following is a reconciliation of beginning fund balances, as previously reported for governmental funds to beginning net assets reported for governmental activities on the statement of activities.

Fund balances, beginning of the year, as previously reported		$ 401,624
Change in accounting principles and prior period adjustments, as noted		46,415
Internal service funds, as restated		8,574
Capital assets reported in the general fixed assets account group at June 30, 2001	$ 586,239	
Record infrastructure assets	286,475	
Record infrastructure assets - accumulated depreciation	(58,638)	
Record accumulated depreciation for structures, improvements and equipment	(249,157)	
Record construction in progress for roads and drainage	18,899	
Correct entries made on equipment in prior years	654	584,472
Net pension asset		293,558
Interest payable at June 30, 2001		(3,746)
Long-term obligations reported in the general long-term debt account group at June 30, 2001 (Excludes Claims Payable - Reported with Internal Service Funds)		(585,095)
Revenue earned but not considered available previous to July 1, 2001		25,817
Net assets, beginning of year, as reported in the statement of activities		$ 771,619

C. Reserve for Prepaid Items and Deposits

Reserves are less than total prepaid items and deposits because the General Fund advanced $409,000 to subgrantees who will use the funds for federal programs during fiscal year 2002-2003. As funds are spent, the federal government reimburses the County.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Net Assets

The Child Development Special Revenue Fund, which is reported as part of the nonmajor governmental funds, had a fund balance deficit of $79,000 at June 30, 2002. The Child Development Program incurred increased costs while the Program was being reorganized. The activities of the restructured program are projected to restore the Fund's fund balance to a positive balance in fiscal year 2002-2003.

Three Internal Service Funds had net assets deficits at June 30, 2002. The Medical Liability Insurance Fund had a deficit of $4,137,000. The County provided $4,000,000 in fiscal year 2002-2003 to reduce the deficit and plans to further evaluate funding options. The Workers' Compensation Insurance Funds, County General and Fire Protection, had deficits of $18,321,000 and $683,000, respectively. The County is currently negotiating with labor representatives to strengthen cost containment for the workers' compensation program and has increased rates to enhance revenues for fiscal years 2002-2003 and 2003-2004 so as to reverse the negative trend in net assets.

The Sheriff Law Enforcement Training Center Enterprise Fund, which is reported as part of the nonmajor enterprise funds, had a deficit of $675,000. The deficit is the result of one-time start-up costs. The Sheriff-Coroner expects to recoup these costs from future training program tuition fees collected.

4. CASH AND INVESTMENTS

The cash balances of substantially all funds, except the Pension and Investment Trust Funds, are maintained in the County's internal pool and invested by the County Treasurer. Income from pooled investments is allocated to the funds based on average daily balances. As permitted by the Government Code, legally separate entities that are not part of this reporting entity also have individual investment accounts in the County Treasury. These accounts are separate from the pool and are reported in the Investment Trust Fund. Specific investments are acquired for these individual entities at their direction and the income from and changes in the value of those investments affect only the entity for which they were acquired. The Retirement Board directs the investment activity of the Pension Trust Fund.

Cash and investments at June 30, 2002 (December 31, 2001, for the Pension Trust Fund and March 31, 2002, for the Housing Authority), are reported as follows (in thousands):

	Deposits	Investments	Total
Primary Government	$ 12,032	626,662	638,694
Children and Families First Commission	5,381	33,558	38,939
Pension Trust Fund	5,894	2,713,091	2,718,985
Investment Trust Fund	35,253	798,336	833,589
Private-Purpose Trust Fund	6,162	2,986	9,148
Agency Funds		129,591	129,591
Total	$ 64,722	4,304,224	4,368,946

A. Deposits

Deposits include bank deposits at a carrying amount of $61,803,000. The balance reported by various financial institutions was $75,846,000. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. Of the bank balance, $1,358,000 was covered by Federal depository insurance and $74,488,000 was collateralized by the pledging financial institutions as required by Section 53652 of the California Government Code.

According to Government Code Section 53601, bank obligations such as Certificates of Deposit are considered investments. However, in accordance with generally accepted accounting principles in the United States of America, the County has classified Certificates of Deposit in the amount of $2,919,000 as deposits. Of the Certificates of Deposit balance, $1,308,000 was insured and $1,611,000 was collateralized by the pledging financial institutions as required by Section 53652 of the California Government Code.

Under the California Government Code, a financial institution is required to secure deposits in excess of $100,000 made by state or local governmental units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal at least 110.0 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150.0 percent of the secured public deposits. The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent, in the public agency's name.

B. Investments

Statutes authorize the County to invest in obligations of the United States Treasury, federal agencies, municipalities, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, reverse repurchase agreements, medium-term notes, negotiable certificates of deposit, mutual funds and investments in accordance with the statutory provisions governing the issuance of bonds.

Pension Trust Fund investments are authorized by the County Employees' Retirement Law of 1937. Statutes authorize a "prudent investor" guideline as to the form and types of investments, which may be purchased.

The County's investments (including the Investment Trust Fund) and those of the Pension Trust Fund are categorized separately on the following page to indicate the level of custodial credit risk assumed by each investment portfolio for their respective year-ends. Category 1 includes investments that are insured or registered, or securities held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments with the securities held by the counterparty's trust department or agent in the County's name or in the agent's nominee name with subsidiary records listing the County as the legal owner. Category 3 includes uninsured and unregistered investments, with the securities held by the counterparty or by its trust department or agent but not in the County's

name. Investments not evidenced by securities that exist in physical or book form cannot be categorized.

The Local Investment Advisory Board (Board) has oversight responsibility for the State Treasurer's Local Agency Investment Fund (LAIF). The Board consists of five members as designated by State Statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different from the fair value of the County's position in the pool. Information is not available on if the mutual funds in which the County has invested, had used, held or wrote derivative products during the year ended June 30, 2002.

Investments at fair value as of June 30, 2002 (December 31, 2001, for the Pension Trust Fund and March 31, 2002, for the Housing Authority), are shown as follows (in thousands):

	Category		
	1	2	Total
County (Including Investment Trust Fund)			
Negotiable certificates of deposit	$ 50,000	4,000	54,000
U.S. government securities	195,849	24,176	220,025
Commercial paper	142,527	19,349	161,876
Medium-term bonds	11,050	29,467	40,517
Local obligation bonds	2,144		2,144
Bankers' acceptances	10,343		10,343
Repurchase agreements		329,372	329,372
Total categorized investments	$ 411,913	406,364	818,277
Uncategorized Investments:			
State Treasurer's investment pool			547,504
Guaranteed investment contracts			110,252
Mutual funds			81,542
Total investments			1,557,575
Pension Trust Fund:			
Domestic stocks	$ 795,786		795,786
International stocks	44,413		44,413
Corporate & government bonds	588,847		588,847
International bonds	79,707		79,707
Repurchase agreements		13,734	13,734
Total categorized investments	$ 1,508,753	13,734	1,522,487
Uncategorized Investments:			
Mutual funds			872,521
Real estate			267,431
Alternative investments			50,652
Total investments			2,713,091
Children and Families First Commission			
U.S. government securities	$ 33,558		33,558
Total Investments			$ 4,304,224

C. Other Financial Instruments

In accordance with California statutes, the County may invest in a wide variety of investment instruments, including asset-backed securities, such as: collateralized mortgage obligations and principal-only strips and forward contracts.

The Treasurer holds principal-only strip instruments for the benefit of some County school districts. Those school districts utilize the services of an independent financial advisor in determining their investment strategy.

The CCCERA has investments with trustees who hold part of their portfolio in government and corporate obligations consisting of asset-backed securities, floating rate notes, constant maturity index Adjustable Rate Mortgages (ARMs), Collateralized Mortgage Obligations and LIBOR indexed ARMs.

As of June 30, 2002, the County's proportionate share of structured notes and asset-backed securities held by LAIF was $16,896,000 or 3.086 percent of the County's investment in LAIF.

Information is not available on if the various mutual funds in which the County and CCCERA have invested, had used, held or wrote derivative financial products during the year.

The investments discussed above, which are included in the accompanying financial statements, represent 10.0 percent of total investments. The Treasurer's investment policy was approved by the Board of Supervisors. In accordance with Government Code Sections 27130-27137, an investment oversight committee reviews the quarterly investment reports prepared by the Treasurer.

D. Securities Lending by the Employees' Retirement Association (Pension Trust Fund)

The CCCERA's investment policy permits the use of a securities lending program with its principal custodian bank. The CCCERA lends domestic and international bonds and equities to various brokers for collateral that will be returned for the same securities plus a fee in the future. The custodian bank provides loss indemnification to the CCCERA if the borrower fails to return the securities. The custodian bank manages the securities lending program and receives cash and securities as collateral. The collateral cash cannot be invested and the collateral securities cannot be pledged or sold by the CCCERA without borrower default. Securities on loan must be collateralized at 102.0 percent and 105.0 percent of the fair value of domestic securities and non-domestic securities, respectively. There are no restrictions on the amount of securities, which can be loaned at one time. The term to maturity of the security loans is generally matched with the term to maturity of the securities collateral. Such matching existed at December 31, 2001. There were no losses associated with securities lending transactions during the year. At December 31, 2001, CCCERA has no credit risk exposure to borrowers. The fair value of investments on loan at December 31, 2001, is $115,197,000, which was collateralized by cash and securities in the amount of $117,874,000.

5. RECEIVABLES

Receivables at year-end of the County's major individual funds and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows (in thousands):

Receivables- Governmental Activities	General Fund	Nonmajor Funds	Internal Service Funds	Total Governmental Activities
Taxes	$ 9,489	1,479		10,968
Accounts	125,907	10,177	1,815	137,899
Advances	89			89
Gross Receivables	135,485	11,656	1,815	148,956
Less: Allowance for uncollectibles	(4)			(4)
Total Receivables (net)	$ 135,481	11,656	1,815	148,952

Receivables- Business-type Activities:	Hospital	Health Maintenance Organization	Nonmajor Funds	Total Business-type Activities
Accounts	$ 178,565	901	3,172	182,638
Less: Allowance for uncollectibles	(137,322)			(137,322)
Total Receivables (net)	$ 41,243	901	3,172	45,316

Governmental funds report deferred revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At June 30, 2002, the various components of deferred revenue and unearned revenue reported were as follows (in thousands):

	Unavailable	Unearned
Governmental Activities:		
General Fund:		
Notes receivable	$ 29,246	
Advances not yet earned		14,134
Other receivables and advances		835
Resources received that do not yet meet the criteria for revenue recognition		3,589
Nonmajor Funds:		
Notes receivable (Redevelopment Agency)	1,740	
Notes receivable	5,539	
Other advances		49
Resources that do not yet meet the criteria for revenue recognition	1,937	17,723
Total Governmental Activities	$ 38,462	36,330
Business-type Activities:		
County Hospital Enterprise Fund:		
Resources received that do not yet meet the criteria for revenue recognition	$	29,352
Nonmajor Enterprise Funds:		
Resources received that do not yet meet the criteria for revenue recognition		7,706
Total Business-type Activities	$	37,058

6. INTERFUND TRANSACTIONS

Interfund Receivables/ Payables

The composition of interfund balances as of June 30, 2002, are as follows (in thousands):

Due To/From Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 30,633
	County Hospital Enterprise	15,737
	Health Maintenance Organization Enterprise	200
	Nonmajor Enterprise Funds	1,171
	Internal Service Funds	995
	Agency Funds	16,465
	Investment Trust Fund	1,107
	Private-Purpose Trust Fund	3
		66,311
Nonmajor Governmental Funds	General Fund	7,981
	Nonmajor Governmental Funds	2,083
	County Hospital Enterprise	531
	Health Maintenance Organization Enterprise	24
	Nonmajor Enterprise Funds	7
	Internal Service Funds	116
	Agency Funds	970
	Investment Trust Fund	363
		12,075
County Hospital Enterprise	General Fund	4,807
	Nonmajor Governmental Funds	659
	Health Maintenance Organization Enterprise	5,410
	Nonmajor Enterprise Funds	116
	Internal Service Funds	122
	Agency Funds	17
		11,131
Health Maintenance Organization Enterprise	General Fund	39
	Nonmajor Governmental Funds	1
	County Hospital Enterprise	3,735
	Nonmajor Enterprise Funds	4
	Internal Service Funds	5
	Agency Funds	32
		3,816
Nonmajor Enterprise Funds	General Fund	1
	Nonmajor Enterprise Funds	94
	Agency Funds	2
		97
Internal Service Funds	General Fund	1,267
	Nonmajor Governmental Funds	553
		1,820

Investment Trust Fund	General Fund	$ 6
	Nonmajor Governmental Funds	37
	Agency Funds	1,296
		1,339
Private-Purpose Trust Fund	General Fund	3
	Agency Funds	2
		5
Agency Funds	Agency Funds	6,559
	General Fund	2,234
	Nonmajor Governmental Funds	509
	County Hospital Enterprise	379
	Health Maintenance Organization Enterprise	56
	Nonmajor Enterprise Funds	1
	Internal Service Funds	37
	Investment Trust Fund	22
		9,797
Pension Trust Fund*	General Fund	1,884
		1,884
Subtotal		108,275
* Adjustment to General Fund needed due to Pension Trust Fund being reported as of December 31, 2001		260
Total		$ 108,535

Advances To/From Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 138
Nonmajor Governmental Funds	Nonmajor Governmental Funds	4,883
Total		$ 5,021

The interfund balances resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made and (4) interfund loans. Interfund balances in the agency funds result from interfund borrowings.

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues. The following schedule briefly summarizes the County's transfer activity (in thousands):

A. Between Governmental and Business-type Activities:

Transfer From	Transfer To	Amount	Purpose
General Fund	County Hospital Enterprise	$ 31,401	Provide subsidy to cover portion of Hospital's operation.
General Fund	Health Maintenance Organization Enterprise	4,811	Provide subsidy to cover portion of HMO's operation.
General Fund	Internal Service Funds	3,000	Transfer funds from the General Fund to the Medical Liability Internal Service Fund.
County Hospital Enterprise*	General Fund	22,383	Transfer funds to reimburse the General Fund for intergovernmental transfer (IGT) payments, including a $702,000 prior year expenditure accrual.
County Hospital Enterprise	Nonmajor Governmental Fund	6,042	Transfer a portion of the Salaries and Benefits Expense to Pension Obligation Bond.
Health Maintenance Organization Enterprise	Nonmajor Governmental Fund	240	Transfer a portion of the Salaries and Benefits Expense to Pension Obligation Bond.
County Hospital Enterprise	Nonmajor Governmental Fund	443	Transfer of funds to cover the County Hospital and Health Maintenance Organization's pro rata share of certain project lease payments.
Health Maintenance Organization Enterprise	Nonmajor Governmental Fund	196	Transfer of funds to cover the County Hospital and Health Maintenance Organization's pro rata share of certain project lease payments.
Nonmajor Governmental Funds	County Hospital Enterprise	1,225	Transfer interest earnings from the PFA to subsidize the Los Medanos project.
Nonmajor Enterprise Funds	Nonmajor Governmental Funds	70	Transfer a portion of the Salaries and Benefits Expense to Pension Obligation Fund.
		$ 69,811	

* The County's required transfer payment to the State Disproportionate Share and Emergency Services Fund was $24,064,000 and was recorded in the General Fund as a health expenditure. The revenue is recorded in the Hospital Enterprise Fund as patient service revenue. Reimbursement to the General Fund is recorded as an operating transfer from the Hospital to the General Fund.

B. Between Funds within the Government or Business-type Activities[1]:

Transfer From	Transfer To	Amount	Purpose
General Fund	Nonmajor Governmental Funds	$ 1,300	Transfer funds to library to pay operating expenses.
	Nonmajor Governmental Funds	34	Provide a one-time appropriation to the Library from District IV.
	Nonmajor Governmental Funds	329	Transfer property tax.
	Nonmajor Governmental Funds	500	Transfer greater than expected state mandated cost reimbursements for automated systems development.
	Nonmajor Governmental Funds	11	Transfer funds to pay for capital outlay.
	Nonmajor Governmental Funds	60	Provide an annual subsidy to cover operating expenses of the Automated Warrant ID program.
	Nonmajor Governmental Funds	24,352	Transfer a portion of the Salaries and Benefits Expenses to Pension Obligation Bond.
	Nonmajor Governmental Funds	143	Transfer funds for Sheriff's Patrol usage of helicopter and communication services.
	Nonmajor Governmental Funds	10,406	Transfer of funds to cover the General Fund's pro rata share of certain project costs.
Nonmajor Governmental Funds	General Fund	1,000	Transfer funds to pay for capital outlay.
	General Fund	125	Transfer funds for mental health services performed.
	General Fund	60	To transfer contract housing fees from Land Development to Housing Rehab.
	Nonmajor Governmental Funds	101	Transfer National Pollutant Discharge Elimination funds to the Road Fund.
	Nonmajor Governmental Funds	60	Transfer funds from permanent fund to Library.
	Nonmajor Governmental Funds	206	Transfer funds to pay for capital outlay.
	Nonmajor Governmental Funds	3,032	Transfer funds to cover debt service payments.

(1) These transfers were eliminated in the consolidation, by column, for the Governmental and Business-type activities.

Transfer From	Transfer To	Amount	Purpose
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,122	Transfer a portion of the Salaries and Benefits Expense to Pension Obligation Bond.
	Nonmajor Governmental Funds	15	Transfer available funds from a Service Area Special Revenue Fund to the Assessment District Special Revenue Fund.
Total		$ 42,856	

The County pays a subsidy to the County Hospital and Health Maintenance Organization Enterprise Funds to provide resources for operating costs which are in excess of operating revenues. Subsidies for the past three years are as follows (in thousands):

Year Ended June 30,	Total Subsidy
2000	$ 17,856
2001	29,963
2002	36,212

Certain health and welfare realignment revenues, previously recorded in the General Fund and transferred via subsidy to the Hospital and the Health Maintenance Organization, are now recorded directly to those funds as intergovernmental revenue. In fiscal year 2001-2002, these intergovernmental revenues were $18,879,000 for the Hospital and $2,757,000 for the Health Maintenance Organization.

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2002 (March 31, 2002, for the Housing Authority), was as follows (in thousands):

	Balance July 1, 2001 (as restated)	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2002
Governmental Activities:					
Capital assets, not being depreciated:					
Land and easements	$ 59,997	117	(6)		60,108
Construction in progress	22,810	30,692			53,502
Total capital assets, not being depreciated	82,807	30,809	(6)		113,610
Capital assets, being depreciated:					
Infrastructure	286,475	17,619			304,094
Structures and improvements	420,496	25,327	(84)		445,739
Equipment*	102,489	14,922	(14,696)		102,715
Total capital assets, being depreciated	809,460	57,868	(14,780)		852,548
Less accumulated depreciation for:					
Infrastructure	(58,638)	(6,235)			(64,873)
Structures and improvements	(187,952)	(19,097)	82		(206,967)
Equipment*	(61,205)	(10,082)	10,951		(60,336)
Total accumulated depreciation	(307,795)	(35,414)	11,033		(332,176)
Total capital assets, being depreciated, net	501,665	22,454	(3,747)		520,372
Governmental activities capital assets, net	$ 584,472	53,263	(3,753)		633,982

	Balance July 1, 2001 (as restated)	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2002
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 10,464				10,464
Construction in progress	25,051	14,267		(2,779)	36,539
Total capital assets, not being depreciated	35,515	14,267		(2,779)	47,003
Capital assets, being depreciated:					
Structures and improvements	226,882	389		2,000	229,271
Equipment*	37,300	1,491	(8,981)	779	30,589
Total capital assets, being depreciated	264,182	1,880	(8,981)	2,779	259,860
Less accumulated depreciation for:					
Structures and improvements	(90,076)	(8,631)			(98,707)
Equipment*	(18,505)	(2,752)	4,635		(16,622)
Total accumulated depreciation	(108,581)	(11,383)	4,635		(115,329)
Total capital assets, being depreciated, net	155,601	(9,503)	(4,346)	2,779	144,531
Business-type activities capital assets, net	$ 191,116	4,764	(4,346)		191,534

* As indicated in Note 1.K, the County increased the capitalization threshold for equipment from $3,000 to $5,000. Consequently, the equipment costing less than $5,000 was removed from the accounts. The book value of the equipment removed from the general fixed assets was $1,430,000. The book value of the equipment removed from the County Hospital Enterprise Fund was $644,000, the Health Maintenance Organization Enterprise Fund was $6,000 and nonmajor enterprise funds were $5,000.

At July 1, 2001 the County made the following restatements to capital assets (in thousands):

Business-type activities capital assets as reported in the prior year:	$ 185,993
Reclassify costs identified in the structures and improvements to construction in progress	431
Record cost adjustments for structures and improvements and equipment	1,042
Record adjustments to accumulated depreciation for structures and improvements and equipment	3,650
Business-type activities capital assets as restated - July 1, 2001	$ 191,116

The Pension Trust Fund had net capital assets of $574,000. This consisted of leasehold improvements and office equipment.

Depreciation

Depreciation expense was charged to governmental functions as follows (in thousands):

General government	$	20,767
Public protection		8,714
Health and sanitation		229
Public assistance		689
Education		369
Public ways and facilities		4,428
Recreation and culture		218
Total depreciation expense - governmental functions	$	35,414

Depreciation expense was charged to the business-type functions as follows (in thousands):

County Hospital	$	6,530
Health Maintenance Organization		14
Nonmajor enterprise funds		4,839
Total depreciation expense - business-type functions	$	11,383

8. SHORT-TERM NOTES PAYABLE

On June 30, 2002, the County had tax and revenue anticipation notes outstanding in the amount of $70,000,000 with interest at 3.0 percent per annum. The notes were issued September 6, 2001, and will be redeemed October 4, 2002. Interest is payable on September 5, 2002, and at maturity. The redemption monies were from taxes and other revenues transferred to a fiscal agent during the fiscal year. Total interest incurred on these notes during fiscal year 2001-2002 was $1,717,000. These notes were issued to finance seasonal cash flow requirements for fiscal year ended June 30, 2002.

As of July 1, 2001, the County had tax and revenue anticipation notes outstanding in the amount of $55,000,000. This amount was repaid on October 1, 2001.

9. PAYABLES

Accounts payable and accrued liabilities at year-end were as follows (in thousands):

Governmental Activities:	General Fund	Nonmajor Funds	Total Governmental Activities
Accounts	$ 17,621	6,297	23,918
Accrued payroll	38,646	6,253	44,899
Total Accounts payable and accrued liabilities	$ 56,267	12,550	68,817

Business-type Activities:	Hospital	Health Maintenance Organization	Nonmajor Funds	Total Business-type Activities
Accounts	$ 14,702	14,810	2,324	31,836
Accrued payroll	11,094	496	117	11,707
Total Accounts payable and accrued liabilities	$ 25,796	15,306	2,441	43,543

10. LEASES

A. Operating Leases

Total rental expense for the year ended June 30, 2002 (March 31, 2002, for the Housing Authority), for all operating leases and month-to-month lease arrangements amounted to $9,192,000 for the General Fund, $294,000 for the nonmajor governmental funds, $2,563,000 for the Hospital Enterprise Fund, $35,000 for the HMO Enterprise Fund, $134,000 for nonmajor enterprise funds and $258,000 for the Pension Trust Fund.

At June 30, 2002 (March 31, 2002, for the Housing Authority), the future minimum rental payments required under non-cancelable operating leases for buildings and equipment, other than month-to-month lease arrangements, are as follows (in thousands):

	Governmental Activities		Business-type Activites		
Fiscal Year Ending June 30,	General Fund	Nonmajor Governmental Funds	Hospital Enterprise Fund	Nonmajor Enterprise Funds*	Total
2003	$ 5,878	61	173	4	6,116
2004	5,172	15	111	4	5,302
2005	3,899	4	100	4	4,007
2006	3,094	5	100		3,199
2007	2,365	5	100		2,470
2008-2012	9,835	16	500		10,351
2013-2017	2,555		500		3,055
	$ 32,798	106	1,584	12	34,500

* Includes only Housing Authority amounts.

B. Capital Leases

The County has capital lease purchase agreements for various County buildings and improvements and equipment. The assets acquired under these lease purchase agreements are included in the County's capital assets. The costs of these assets were $16,858,000 for buildings and improvements and $8,413,000 for equipment. The obligations related to these lease purchase agreements are also included in the County's long-term obligations, Note 11.

New capital lease obligations for the fiscal year ended June 30, 2002 were $9,907,000. Of this amount, $7,415,000 was used to obtain various assets during the fiscal year. Remaining unspent proceeds will be used in subsequent years.

11. LONG-TERM OBLIGATIONS

The following is a summary of long-term liabilities transactions for the year ended June 30, 2002, (in thousands):

	Balance July 1, 2001	Additions	Retirements	Balance June 30, 2002	Amounts Due Within One Year
Governmental activities					
Compensated absences	$ 31,160	3,601		34,761	3,476
Claims payable	71,438	57,912	(41,922)	87,428	17,817
Capital lease obligations	8,988	9,907	(2,657)	16,238	3,211
Certificates of participation	61,465		(2,800)	58,665	2,740
Pension bonds payable	297,340		(15,915)	281,425	16,915
Notes payable	6		(6)		
Other bonds payable	8,505		(450)	8,055	915
Lease revenue bonds	102,245	12,650	(3,475)	111,420	3,855
Tax allocation bonds	55,360		(835)	54,525	945
Special assessment debt	20,276		(1,687)	18,589	1,367
Total governmental activities - long-term obligations	$ 656,783	84,070	(69,747)	671,106	51,241
Business-type activities					
Compensated absences	$ 6,522	509		7,031	703
Medical liability claims payable	8,583	(172)	(784)	7,627	1,262
Capital lease obligations	2,748		(602)	2,146	600
Certificates of participation	135,940		(3,390)	132,550	3,570
Notes payable	1,044		(60)	984	65
Lease revenue bonds	32,010		(250)	31,760	710
Total business-type activities - long-term obligations-gross	186,847	337	(5,086)	182,098	6,910
Capitalized premiums, discounts and deferred amounts on refundings	(15,012)		734	(14,278)	(703)
Total business-type activities - long-term obligations-net	$ 171,835	337	(4,352)	167,820	6,207

Individual issues of bonds, notes and certificates of participation outstanding at June 30, 2002 are as follows (in thousands):

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2002
Governmental activities					
Pension obligation bonds (4):	2014	5.55-6.80%	$ 15,915-33,280	$ 313,640	$ 281,425
Certificates of participation (1):					
1992 Consolidated capital projects	2019	5.50-9.50	1,555-1,625	37,300	25,870
1997 Capital projects	2021	3.55-5.10	655-2,610	34,910	32,795
					58,665
Lease revenue bonds (1):					
1998 Lease revenue	2025	3.80-5.15	525-1,745	24,695	23,385
1999 Lease revenue	2028	4.00-5.25	1,095-3,350	66,560	58,120
2001A Lease revenue	2026	3.15-4.15	335-900	13,905	13,570
2001B Lease revenue	2017	4.25-5.20	80-250	3,695	3,695
2002 Lease revenue	2027	2.75-5.00	155-760	12,650	12,650
					111,420
Tax allocation bonds (3):					
1992 Tax allocation bond	2024	5.25-7.00	155-645	29,315	7,425
1995A Tax allocation bond	2026	3.90-7.00	25-115	1,645	1,505
1995B Tax allocation bond	2026	4.25-6.90	45-200	2,735	2,525
1999 Tax allocation bond	2029	4.00-5.125	475-3,250	44,615	43,070
					54,525
Special assessment debt with government commitment (5):					
Kensington 91-1	2013	5.25-6.00	150-300	4,684	2,380
Pleasant Hill 87-1	2005	6.80-7.30	620-770	8,785	2,155
Pleasant Hill BART 93-5	2015	5.44-6.93	55-140	1,530	1,195
San Ramon 89-1	2005	7.55-7.85	75-90	980	265
Wayside Plaza 91-2	2007	7.00-7.20	135-190	2,010	770
Pleasant Hill BART CFD 92-1	2016	8.00	7-14	171	144
Pleasant Hill BART CFD 98-1	2017	4.20-5.10	135-3,075	4,785	4,475
Norris Canyon 2001-1	2032	4.10-6.10	110-495	7,220	7,205
					18,589
Other bonds payable (2):					
Recreation and park	2005	4.25-5.10	445-510	4,485	1,465
Storm drainage	2005	4.25	5	200	15
CCC PFA revenue bonds 2001	2017	4.00-5.69	360-570	6,575	6,575
					8,055
Total Governmental activities					$ 532,679

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2002
Business-type activities					
Notes payable (6):					
State Dept. of Transportation	2011	6.06%	33-53	$ 558	$ 393
State Dept. of Transportation	2016	5.08	13-25	300	251
State Dept. of Transportation	2010	5.48	13-23	200	155
Promissory Note	2059	7.52		185	185
					984
Lease revenue bonds (1):					
Hospital Enterprise					
1999 Los Medanos	2028	3.00-5.25	150-505	8,125	7,655
2001A Los Medanos	2026	3.15-4.15	10-265	4,125	4,025
2001B CC Regional Medical Center	2027	4.25-5.20	445-1,365	20,080	20,080
					31,760
Certificates of participation, net (1):					
1997 Certificates of participation	2023	3.75-6.00	3,390-10,185	145,340	132,550
Total Business-type activities					$ 165,294

NOTES:

(1) Debt service payments are made from lease payments by the County General, Special Revenue and Hospital Enterprise Funds to the PFC and the PFA.

(2) Debt service payments are made from restricted property taxes and other revenues recorded in the General and Debt Service Funds.

(3) Debt service payments are made from tax increment financing.

(4) Debt service payments are made from all County revenues.

(5) Debt service payments are made from special assessments levies on properties in each assessment district. The County administers the assessment and repayment of these bonds. Since early redemption is allowed, there may be differences between the earnings on money received from property owners wishing to pay off their debt early and the interest obligation that accumulates on their debt between the time they submit funds to the County and the next available redemption date, as stated in the bonds' official statements. The County has historically funded this difference and to that extent may be obligated in some manner for this debt.

(6) Debt service payments are made from operating revenues.

There are a number of limitations and restrictions contained in the various bond indentures. County management believes that the County is in compliance with all significant limitations and restrictions.

Following is a schedule of debt payment requirements to maturity for governmental activities for long-term obligations, excluding compensated absences and claims payable that have indefinite maturities, outstanding at June 30, 2002 (in thousands):

Fiscal Year Ending June 30,	Capital Lease Obligations		Certificates of Participation		Pension Bonds Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	$ 3,211	790	2,740	3,080	16,915	18,351
2004	2,290	646	2,890	2,943	18,000	17,269
2005	1,575	540	3,040	2,797	14,485	16,099
2006	1,037	473	3,215	2,643	17,730	15,150
2007	1,072	415	3,390	2,479	21,295	13,971
2008-2012	4,859	1,178	14,685	9,852	128,400	46,375
2013-2017	1,342	403	15,900	6,081	64,600	6,118
2018-2022	852	77	12,805	1,569		
Total	$ 16,238	4,522	58,665	31,444	281,425	133,333

Fiscal Year Ending June 30,	Other Bonds Payable		Lease Revenue Bonds	
	Principal	Interest	Principal	Interest
2003	$ 915	372	3,855	5,230
2004	1,010	329	4,180	5,078
2005	1,015	282	4,350	4,915
2006	530	247	4,515	4,744
2007	570	222	4,705	4,564
2008-2012	1,905	820	22,325	19,888
2013-2017	2,110	297	24,700	14,237
2018-2022			19,920	8,728
2023-2027			21,005	3,260
2028-2032			1,865	93
Total	$ 8,055	2,569	111,420	70,737

Fiscal Year Ending June 30,	Tax Allocation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2003	$ 945	2,964	1,367	1,082
2004	995	2,917	1,568	984
2005	1,040	2,868	1,648	877
2006	1,075	2,815	793	797
2007	1,135	2,760	824	748
2008-2012	6,650	12,805	2,562	3,215
2013-2017	8,720	10,679	4,752	2,492
2018-2022	11,520	7,801	1,225	1,357
2023-2027	15,170	4,041	1,650	929
2028-2032	7,275	388	2,200	351
Total	$ 54,525	50,038	18,589	12,832

As of June 30, 2002, annual debt service requirements of business-type activities to maturity except for medical liability claims payable are as follows (in thousands):

Fiscal Year Ending June 30,	Capital Lease Obligations		Hospital Certificates of Participation		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	$ 600	123	3,570	7,097	65	58
2004	730	89	3,730	6,919	69	55
2005	816	47	3,925	6,718	75	50
2006			4,130	6,506	79	46
2007			4,350	6,268	84	41
2008-2012			25,715	28,129	363	139
2013-2017			33,435	19,403	64	76
2018-2022			43,510	9,033		70
2023-2027			10,185	280		70
2028-2032						70
2033-2037						70
2038-2042						70
2043-2047						70
2048-2052						70
2053-2057						70
2058-2060					185	26
Total	$ 2,146	259	132,550	90,353	984	1,051

Fiscal Year Ending June 30,	Lease Revenue Bonds	
	Principal	Interest
2003	$ 710	1,543
2004	730	1,514
2005	760	1,484
2006	795	1,453
2007	825	1,420
2008-2012	4,680	6,546
2013-2017	5,890	5,337
2018-2022	7,510	3,716
2023-2027	9,355	1,592
2028	505	25
Total	$ 31,760	24,630

Issuance of New Debt

Public Financing Authority

In June 2002, the County of Contra Costa Public Financing Authority issued $12,650,000 in lease revenue bonds (2002 Series A), with interest rates ranging from 2.75 to 5.00 percent. The costs of issuance amounted to $412,000. The proceeds will be used to finance various capital projects of Contra Costa County, purchase a reserve fund surety bond, and pay costs of issuance relating to the 2002 Series A bonds.

Defeased Obligations

In prior years, the County has defeased certain obligations by placing a portion of the proceeds of new debt issuances in irrevocable trusts to provide for all future debt service payments on the refunded obligations. Accordingly, the trust account assets and the liability of the defeased debt are not included on the financial statements of the County. On June 30, 2002, $156,014,000 in outstanding obligations is considered to be defeased.

Legal Debt Limit

As of June 30, 2002, the County's debt limit (5 percent of valuation subject to taxation) was $4.674 billion. The total amount of debt applicable to the debt limit was $336 million, net of assets in the debt service funds and other deductions allowed by law. The resulting legal debt margin was $4.338 billion.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. The County engages consultants to perform calculations of excess investment earnings on tax-exempt bonds and as of June 30, 2002, does not expect to incur a liability.

12. CONDUIT DEBT

From time to time Multifamily/Single Family Housing Revenue Bonds have been issued in the County's name to provide mortgage loans secured by first trust deeds on newly constructed and existing housing and to provide funds to builders for construction/remodeling of housing projects.

The bonds do not constitute an indebtedness of the County. They are payable solely from payments made on and secured by a pledge of the acquired mortgage loans or housing units and certain funds and other monies held for the benefit of the bondholders pursuant to the bond indentures. The County is not obligated in any manner for repayment of the indebtedness. Accordingly, no liability has been recorded in the basic financial statements.

As of June 30, 2002, the County had participated in the issuance of twenty-nine series of Multifamily or Single Family Housing Revenue Bonds. The aggregate principal amount remaining payable for the bonds issued was $315,966,000.

Not included in the above amount is a defeased issue of $43,115,000.

13. NET ASSETS/FUND BALANCES

The government-wide financial statements and proprietary and fiduciary fund financial statements utilize a net assets presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Invested in capital assets, net of related debt* - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted net assets* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted net assets* – This category represents net assets of the County, not restricted for any project or other purpose.

In the governmental fund financial statements, reserves segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves are established by actions of the Board and management and can be increased, reduced or eliminated by similar actions.

As of June 30, 2002, reservations of fund balance are described below:

- *Encumbrances* – to reflect the outstanding contractual obligations for which goods and services have not been received.

- *Inventories* – to reflect the portion of assets which do not represent available spendable resources.

- *Advances to other funds* – to reflect the amount due from other funds that are long-term in nature. Such amounts do not represent available spendable resources.

- *Prepaid items and deposits* – to reflect amounts paid in advance by the County for goods not yet received or services not yet performed.

- *Land held for resale* – to reflect investment in land which does not represent available spendable resources.

- *Housing Projects* - to account for financial resources designated for increasing and improving the supply of housing for persons and families of low or moderate income.

- *Debt service* – to reflect the funds held by trustees or fiscal agents for future payment of bond principal and interest or as reserves. These funds are not available for general operations.

- *Nonexpendable Permanent Funds* – to reflect the fund's principal balance which is not expendable.

14. PERMANENT FUND

The Permanent Fund accounts for the financial activities and balances of donor-restricted endowments for the County's libraries. Interest income may be used for the establishment and furnishing of children's areas within libraries, literacy programs and the acquisition of books that meet the criteria of the endowments. In accordance with the terms of the endowments and California Government Code Section 25355, only the interest income may be used; any unused income may be used in a subsequent year. The amount available for spending, $353,000 at June 30, 2002, is shown on the Statement of Net Assets as Net Assets Restricted for Permanent Fund - Expendable.

15. EMPLOYEES' RETIREMENT PLAN

A. Plan Description

The Contra Costa County Employees' Retirement Association (CCCERA) is a cost-sharing multiple-employer defined benefit pension plan (the plan) governed by the County Employees' Retirement Law of 1937 (the 1937 Act). The plan covers substantially all of the employees of the County, its special districts, the Housing Authority and thirteen other member agencies. The plan issues stand-alone financial statements which can be directly obtained from its office, as indicated in Note 1.A.

The plan provides for retirement, disability, death and survivor benefits, in accordance with the 1937 Act. Annual cost-of-living adjustments to retirement benefits can be granted by the Retirement Board as provided by State statutes.

The plan is divided into four separate benefit sections of the 1937 Act. These sections are known as: General - Tier I, General - Tier II, General - Tier III and Safety. Tier I includes members not mandated to be in Tier II and reciprocal members that elect Tier I membership. Tier II includes members hired on or after August 1, 1980, by the three employers adopting this benefit provision and their members who elected to transfer from Tier I at that date. Tier III was approved by the Board of Supervisors in January 1998, and implementation began in October 1998. Safety includes members in active law enforcement, active fire suppression work or certain other "Safety" classifications as designated by the Retirement Board.

Service retirement benefits are based on age, length of service and final average salary. For the Tiers I, III and Safety sections, the retirement benefit is based on a one-year average salary, in accordance with Section 31462 of the Government Code. For Tier II, the benefit is based on a three-year average salary.

As of June 30, 2002, 3,733 Tier II employees with five years service were eligible to irrevocably elect Tier III. Members eligible for Tier III are required to elect or decline enrollment. As of June 30, 2002, 3,015 employees elected Tier III. Subsequent enrollments will occur as more employees from Tier II acquire five years of service.

B. Funding Policy

Pursuant to provisions of the 1937 Act, the Retirement Board recommends the annual contribution rates for adoption by the Board of Supervisors. New contribution rates, based on the actuarial study as of December 31, 2000, became effective July 1, 2001. The contribution requirements are determined as a percentage of payroll.

The employer rates were calculated on the alternate funding method permitted by Section 31453.5 of the Government Code. The "entry age normal funding" method is used to calculate the rate required to provide all the benefits promised to a new member. Unfunded costs resulting from this calculation are amortized over 17 years from the December 31, 2000, valuation date.

Active plan members are required to contribute an actuarially determined percentage of their annual covered salary. The required percentage rates vary according to the benefit section and entry age of the employee. The rates in effect during fiscal year 2001-2002 (based on covered payroll as of January 1, 2001) ranged from 3.99 percent to 10.37 percent of the employees' annual covered salary.

The County employer rates of contribution, calculated as a percentage of the County's covered payroll of $427,866,000 as of January 1, 2001, for fiscal year 2001-2002, were:

General Members, Tier I	19.09%
General Members, Tier II	13.67
General Members, Tier III	14.75
Safety Members	20.84

The County's annual pension cost and prepaid pension asset, computed in accordance with GASB 27, *Accounting for Pensions by State and Local Governmental Employers*, for the year ended June 30, 2002, were as follows:

Annual required contribution (County fiscal year basis)	$ 43,833,000
Interest on pension asset	(23,484,000)
Adjustment to the annual required contribution	38,319,000
Annual pension cost	58,668,000
Contributions made	43,833,000
Decrease in pension asset	(14,835,000)
Pension asset, beginning of year	293,558,000
Pension asset, end of year	$ 278,723,000

The following table shows the County's annual pension cost and the percentage contributed, for the 2002 fiscal year and each of the two preceding years:

Fiscal Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2000	$ 43,313,000	78.05%	$ 305,576,000
2001	50,921,000	76.40%	293,558,000
2002	58,668,000	74.71%	278,723,000

The County has made its annual required contribution (ARC) for each of the past three years. The difference between the ARC and the annual pension cost (APC) is due to the amortization of the Net Pension Asset.

See Note 20.D – Subsequent Events for additional information.

16. PAULSON LAWSUIT SETTLEMENT

During the year ended December 31, 1999, CCCERA settled its litigation, entitled Vernon D. Paulson, et al. v. Board of Retirement of the Contra Costa Employees' Retirement Association, et al. As of October 14, 1999, all legal documents to finalize the case settlement were signed by the court.

The consolidated lawsuit was brought on behalf of a class of retired members of CCCERA regarding the inclusions and the exclusions from "final" compensation that are used in calculating members' retirement benefits as a result of the Ventura Decision. The Ventura Decision held that a County Retirement System operating under provisions of the County Employees Retirement Law of 1937 must include certain types of cash incentive payments and additional pay elements received by an employee, within the employees' "compensation earnable" and "final" compensation when calculating the employee's retirement benefits. A settlement agreement has been entered into with all parties and a petitioners' class has been certified consisting of all retired members of CCCERA whose effective retirement date was on or before September 30, 1997 (i.e., the period prior to the October 1, 1997 effective date of the Ventura Decision).

The Board has designated $90 million from unrestricted excess earnings to cover the anticipated liability of the settlement. Interest at the actuarially assumed rate (currently 8.50 percent per annum) is credited to the settlement amount until the final liability is determined. As claim forms are submitted, benefits recalculated and paid, the funds will be transferred to the Employer Advance Reserve to cover the liability. The costs will then be "funded" to the Retiree Reserves. It is anticipated that it could take another year for CCCERA to determine the final effect of this case.

The recalculation and distribution of past and future benefits will be conducted in batches. As of December 31, 2001, CCCERA has already recalculated and paid 16 batches (3,203 claimants), for a total of $50.8 million. As of March 2002, CCCERA has recalculated batches 17 through 19 (462 claimants), for a total of $3.0 million in past benefits. Of the $29.8 million paid and accrued for 2001, $2.2 million

pertains to the current year and $27.6 million is for periods prior to the year ended December 31, 2001, and is recorded as a prior period adjustment on the Statement of Changes In Fiduciary Net Assets – Fiduciary Funds. The liability for past benefits cannot be reasonably estimated due to the complexity involved in calculating the "Paulson Benefit." As calculations are completed, the liability for the past benefits will be recognized. As of December 31, 2001, the Paulson Lawsuit settlement designation is $53.1 million.

17. PATIENT SERVICE REVENUE AND RECEIVABLES

The County Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Charges for services are reported at estimated net realizable amounts from patients, third-party payers and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, or investigations.

Laws and regulations governing the Medicare and Medi-Cal programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The County Hospital's Medicare and Medi-Cal cost reports have been audited by the fiscal intermediary through June 30, 2000. As such, the cost reports for the prior year are still under review by fiscal intermediaries and have not been settled due to certain unresolved reimbursement issues. The County believes it has adequately provided for any liabilities that may arise from the fiscal intermediaries' audits.

Net receivables from patients and third-party payers at June 30, 2002, are summarized as follows:

Medicare	$	13,617,000
Medi-Cal		10,322,000
Insurance and other third-party payers		4,137,000
Total	$	28,076,000

18. RISK MANAGEMENT

The County self-insures its unemployment, dental and management long-term disability. The County is self-insured to $750,000 per occurrence for workers' compensation, and maintains $10 million of excess insurance coverage per occurrence with commercial insurance carriers. The County is self-insured to $1 million per occurrence on public and automobile liability, and maintains $30 million excess insurance coverage with commercial insurance carriers. Liability claims arising from operations at the County's two airports are fully insured to $100 million under a separate commercial insurance policy. The County is self-insured to $500,000 per occurrence on medical malpractice and maintains $10 million of excess insurance with commercial insurance carriers. The County adjusts all self-insured claims in-house.

The County maintains up to $600 million "All Risk" insurance coverage subject to a $50,000 deductible to cover its property, except for loss caused by earthquake or flood. Loss caused by earthquake is insured to $90 million and is subject to a minimum $1 million deductible. Loss caused by flood is insured to $200 million and is subject to a $100,000 deductible.

The County maintains a separate insurance policy to cover the Sheriff-Coroner's helicopter for $1.6 million and up to $50 million for liability arising from the helicopter use.

During the past three years there have been no instances of the amount of claim settlements exceeding insurance coverage.

Internal Service Funds are used to account for the County's self-insurance activities. It is the County's policy to provide in each fiscal year, by charges to affected operating funds, amounts sufficient to cover the estimated expenditures for self-insured claims. Charges to operating funds are recorded as expenditures/expenses of such funds and revenues of the Internal Service Funds. Accrual and payment of claims are recorded in the Internal Service Funds.

The County has accrued a liability of $95.1 million at June 30, 2002, for all self-insured claims in the Internal Service Funds, which includes an amount for incurred but not reported claims. The self-insurance reserve is based on actuarially determined amounts for workers' compensation, public and automobile liability, and medical liability and based on management's estimates for all other reserves. In the opinion of the County, the amounts accrued are adequate to cover claims incurred but not reported in addition to known claims.

Changes to the Internal Service Funds' claims liability amount for fiscal years 2000-2001 and 2001-2002 are as follows (in thousands):

Liability at June 30, 2000	$	80,337
Current year claims and changes in estimates		24,119
Claim payments		(24,435)
Liability at June 30, 2001		80,021
Current year claims and changes in estimates		57,740
Claim payments		(42,706)
Liability at June 30, 2002	$	95,055

The actuarially determined claims liabilities, including incurred but not reported claims, are based on the estimated ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that modify past experience. It also includes incremental claim adjustment expenses. In addition, estimated recoveries on settled and unsettled claims were evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims.

19. COMMITMENTS AND CONTINGENCIES

A. Grants

The County participates in a number of federal and State grant programs which are subject to financial and compliance audits by the grantors or their representatives. Audits of certain grant programs through June 30, 2002, have not yet been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The County believes that such disallowances, if any, would not have a material effect on the basic financial statements.

B. Health Insurance

Health care benefits for active and retired employees are jointly financed by the beneficiaries and by the County. Most employees have a choice of participation in five medical plans: Kaiser Permanente, a private health maintenance organization (HMO); Health Net (HMO); Health Net (PPO); and the Contra Costa Health Plans (CCHP) A and B, operated by the County Health Services Department. Employees represented by either the Deputy Sheriffs' Association (DSA), District Attorney Investigators' Association (DAIA), or United Professional Fire Fighters' IAFF Local 1230 are eligible to participate in medical plans administered by the California Public Employees' Retirement System (CalPERS).

For non-CalPERS administered medical plans, the County subvents 80.0 percent of Kaiser, 80.0 percent Health Net (HMO), 60.0 percent Health Net (PPO) and 98.0 percent of CCHP A and 90.0 percent of CCHP B premiums for plan members. The County subvention for CalPERS administered plans is a flat rate depending on the employees' union representation and the number of dependents covered under the plans. All permanent employees have a choice of two dental plans: a County self-funded plan administered by Delta Dental, and a PMI Delta Care Plan. The County's self-funded plan is an indemnity program and the PMI Delta Care plan is a prepaid program.

The County's contribution to health and dental plans during fiscal year 2001-2002 for active employees was $47,711,000. The County's liability for health care benefits is limited to its annual contribution.

C. Postemployment Benefits Other Than Pensions

In addition to providing retirement benefits as described in Note 15, retired employees are allowed to continue participation in the medical and dental plans described above. As of June 30, 2002, there were 4,040 retired employees participating in the health plans, and the County contributed $16,335,000 toward payment of the premiums. The cost of retiree health care is recognized when the County makes its contribution on a pay-as-you-go basis and is accounted for in the General Fund, Special Revenue Library and Fire District Funds, Enterprise Funds, or Fiduciary Funds as appropriate. This postemployment benefit was approved by Board of Supervisors resolution number

264 on August 22, 1961, with an effective date of October 1, 1961. To be eligible, the retiring employee must have been a member of a participating health plan at the date of retirement.

D. Special Assessment Debt

The County is considered to be "obligated in some manner," as defined by GASB Statement No. 6, *Accounting and Financial Reporting for Special Assessments*, for its special assessment debt. The County is obligated to foreclose on properties for which owners have failed to pay assessment installments as they fall due and the County may honor deficiencies to the extent that lien foreclosure proceeds are insufficient. The County's obligation to advance monies to pay debt service in the event of delinquent assessment installments is limited to the amount of remaining original bond proceeds and installments received. Special assessment debt is included in the County's statement of net assets and special assessment transactions are included in the Assessment Districts Debt Service Fund. Debt service payments are made from special assessments of the related special assessment district.

E. Construction Commitments

The County had entered into contracts for the construction of certain projects. At June 30, 2002, there were outstanding commitments of $6,067,000 for the Martinez Health Center project, $20,109,000 for the Juvenile Hall Replacement project, $5,422,000 for the Family Law Center project, and $4,465,000 for the new Powers Child Care Center project.

F. Pending Legal Matters

Numerous lawsuits are pending or threatened against the County. The County has recorded actuarially determined reserves in the Internal Service Funds to adequately cover estimated potential material adverse losses at June 30, 2002.

20. SUBSEQUENT EVENTS

A. 2002-2003 Tax and Revenue Anticipation Notes

On October 17, 2002, the County issued $55,000,000 of short-term tax and revenue anticipation notes. The notes bear interest at 2.50 percent and mature on November 17, 2003.

B. 2002 Lease Revenue Bonds, Series B

In September 2002, the County of Contra Costa Public Financing Authority issued $25,440,000 in lease revenue bonds (2002 Series B), with interest rates ranging from 2.0 to 4.6 percent. The proceeds will be used to defease $25,870,000 of 1992 Certificates of Participation (Consolidated Capital Projects issue).

C. Consolidation of East County Fire Districts

As of November 1, 2002, the Bethel Island, East Diablo and Oakley Fire Protection Districts will be consolidated into a new district called the East Contra Costa Fire Protection District. An informal study concluded that this consolidation allows for a more cost-effective application of existing

resources to provide a higher level of fire protection and emergency medical response services in the Bethel Island, East Diablo, and Oakley Fire Protection District areas. Funding for the new district will come primarily from property taxes; and, it will also receive funds through County Service Area EMS-1 (emergency medical services). There will be no change in the governance of the new district, as the Board of Supervisors will remain the governing body.

D. Contra Costa County Employees' Retirement Association (CCCERA)

On October 1, 2002, the Board of Supervisors approved revised retirement benefits for CCCERA members. The revised benefits include a 3 percent of eligible salary per year of service to safety employees retiring at age 50, and 2 percent of eligible salary per year of service to regular employees retiring at age 55 and also a cost of living adjustment (COLA) for safety employees and regular employees. Also approved was a $200 per month additional benefit for retirees who retired prior to January 1, 1983.

In the past, CCCERA has been able to contribute a portion of excess earnings from its investment portfolio to the County in the form of subsidies to cover a portion of the County's required retirement contributions. However, CCCERA's investment portfolio has experienced a decline in market value and CCCERA has recently informed the County that subsidies would cease after December 2002. The additional net County cost of retirement contributions is expected to be $12 million in fiscal year 2002-2003 and $25 million in fiscal year 2003-2004.

E. State Budget

The State is addressing a $35 billion shortfall of projected revenues compared to expenditures for the 18-month period of January 1, 2003, through June 30, 2004. This is expected to lead to a significant, but undetermined, reduction of County revenue. The County receives approximately 20 percent of its revenues from taxes and a significant portion of the remainder is provided by the State.

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

COUNTY OF CONTRA COSTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance-Positive (Negative)
	Original	Final		
Revenues:				
Taxes	$ 190,038	190,038	200,571	10,533
Licenses, permits and franchise fees	7,335	7,787	23,782	15,995
Fines, forfeitures and penalties	13,431	13,750	14,508	758
Use of money and property	12,312	12,339	10,527	(1,812)
Intergovernmental	474,330	540,418	506,352	(34,066)
Charges for services	155,212	171,690	155,713	(15,977)
Other revenue	38,406	93,158	74,613	(18,545)
Total Revenues:	891,064	1,029,180	986,066	(43,114)
Expenditures:				
Current:				
General Government:				
Administrator	3,654	3,779	3,369	410
Assessor	11,760	12,442	11,694	748
Auditor-Controller	6,297	5,797	5,686	111
Board of Supervisors	3,582	4,171	3,655	516
Building Maintenance	8,343	15,251	15,141	110
Building Occupancy Cost	17,390	17,362	14,365	2,997
Central Service/Microfilm	295	472	306	166
Clerk of the Board	495	531	463	68
Community Access Television	895	895	698	197
County Counsel	3,526	3,858	3,149	709
Crockett-Rodeo Revenues	992	992	248	744
Economic Development	332	339	313	26
Elections	4,777	4,792	4,766	26
Employee Benefits	29,562	24,892	15,043	9,849
Fleet Services	2,110	5,430	1,622	3,808
General Services Administration	1	1	(1)	2
Human Resources	7,445	7,414	4,877	2,537
Information Technology	2,594	2,544	1,969	575
Insurance	9,367	9,802	9,395	407
Management Information Systems	1,399	1,615	601	1,014
Personnel Merit Board	97	97	72	25
Plant Acquisition	30,907	115,396	25,513	89,883
Purchasing	732	864	729	135
Revenue Collections	1,889	1,889	1,841	48
Telephone Exchange	4,694	4,935	2,403	2,532
Treasurer-Tax Collector	3,830	4,018	3,683	335
UAAL Pension Bond Debt Service Transfers	(3,225)	(3,225)	(3,225)	
Total General Government	153,740	246,353	128,375	117,978

(continued)

COUNTY OF CONTRA COSTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance-Positive (Negative)
	Original	Final		
Public Protection:				
Agriculture	3,164	3,074	2,847	227
Animal Services	5,400	6,050	5,672	378
CCC Department Child Support Services	21,713	21,453	19,990	1,463
Community Development	5,595	5,839	5,072	767
Conflict Defense Services	1,148	1,148	1,039	109
Coroner	1,580	1,611	1,591	20
Criminal Grand Jury	77	77	58	19
District Attorney	20,515	20,498	18,677	1,821
District Attorney Family Support	1	1	1	
Emergency Services	2,749	2,599	2,444	155
Flood Control	834	838	668	170
Grand Jury	92	92	82	10
Jail	45,035	46,243	46,107	136
Jail - Health Services	7,711	8,957	8,917	40
Justice System Programs	4,495	4,495	1,060	3,435
Juvenile Dependency Mediation	108	108	108	
Law and Justice Systems	346	346	272	74
Local Agency Formation	258	308	275	33
Probation - Programs	21,518	22,256	20,105	2,151
Probation - Facilities	16,214	16,963	16,719	244
Probation - Care of Court Wards	8,332	8,332	7,889	443
Public Administrator	188	188	186	2
Public Defender	14,819	15,412	14,724	688
Recorder	2,677	2,677	2,393	284
Sheriff	65,692	67,643	65,784	1,859
Trial Court Programs	20,520	22,154	22,152	2
Vehicle Theft Programs	1,260	1,260	740	520
UAAL Pension Bond Debt Service Transfer	(11,502)	(11,502)	(11,502)	
Total Public Protection	260,539	269,120	254,070	15,050
Health and Sanitation:				
Children's Services	6,243	5,312	5,225	87
Conservator/Guardianship	1,278	1,267	1,267	
Environmental Health	10,285	9,686	9,315	371
General Sewer Planning	23	24	24	
Health Services Homeless Program	4,114	3,879	3,128	751
Medical Disproportionate Share	22,407	21,681	21,681	
Mental Health	79,715	84,551	78,667	5,884
Public Health	37,957	38,619	38,447	172
Solid Waste Management	478	478	344	134
Substance Abuse	16,731	18,331	17,655	676
UAAL Pension Bond Debt Service Transfer	(3,140)	(3,140)	(3,140)	
Total Health and Sanitation	176,091	180,688	172,613	8,075

(continued)

COUNTY OF CONTRA COSTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance-Positive (Negative)
	Original	Final		
Public Assistance:				
Ann Adler Child & Family	195	195	172	23
Community Development	6,984	14,275	12,269	2,006
Community Services	20,635	23,394	22,481	913
Housing Rehabilitation	203	229	229	
EHSD - Administration	313	5,356	3,076	2,280
EHSD - Child & Family	86,598	96,426	95,812	614
EHSD - Aging & Adult	69,548	64,872	61,879	2,993
EHSD - Workforce Services	124,749	127,316	117,839	9,477
EHSD - WFRC Investment Board	9,136	9,136	6,081	3,055
Services Integration	626	626	232	394
Veterans Services	531	571	525	46
UAAL Pension Bond Debt Service Transfer	(5,483)	(5,483)	(5,483)	
Total Public Assistance	314,035	336,913	315,112	21,801
Education:				
Cooperative Extension Services	227	227	211	16
UAAL Pension Bond Debt Service Transfer	(6)	(6)	(6)	
Total Education	221	221	205	16
Public Ways and Facilities:				
Public Works	30,681	30,568	23,629	6,939
Road Construction	17,359	30,237	23,046	7,191
UAAL Pension Bond Debt Service Transfer	(996)	(996)	(996)	
Total Public Ways and Facilities	47,044	59,809	45,679	14,130
Recreation and Culture:				
Park Administration	1	1		1
Total Recreation and Culture	1	1		1
Debt Service:				
Interest	4,222	4,222	2,215	2,007
Capital Outlay	7,415	7,415	7,415	
Total Expenditures	963,308	1,104,742	925,684	179,058
Excess of Revenues Over/Under Expenditures	(72,244)	(75,562)	60,382	135,944
Other Financing Sources (Uses):				
Transfers in	23,568	23,568	23,568	
Transfers out	(76,347)	(76,347)	(76,347)	
Capital lease financing	9,907	9,907	9,907	
Net Other Financing Sources (Uses)	(42,872)	(42,872)	(42,872)	
Net Change in Fund Balances	(115,116)	(118,434)	17,510	135,944
Fund Balance at Beginning of Year, as Previously Reported	144,607	144,607	144,607	
Prior period adjustment	7,285	7,285	7,285	
Fund Balance at Beginning of Year, as Restated	151,892	151,892	151,892	
Fund Balance at End of Year	$ 36,776	33,458	169,402	135,944

(concluded)

BUDGETS AND BUDGETARY ACCOUNTING

After a series of public hearings and in accordance with the provisions of Sections 29000-29145 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County Board of Supervisors legally adopts a budget for each fiscal year on or before October 2. This budget establishes the maximum authorized expenditures for the fiscal year that cannot be exceeded except by subsequent amendments to the budget by the Board of Supervisors. Budgets are adopted for the General Fund on the modified accrual basis.

Expenditures are controlled by management at the object (summary accounts) level within budget units (departments) of the County. The legal level of control is at the department level. Supplemental appropriations, which are normally financed by unanticipated revenues during the year, and any amendments or transfers of appropriations between summary accounts or departments must be approved by the Board of Supervisors. Pursuant to a Board of Supervisors Resolution, the County Administrator is authorized to approve transfers of appropriations among summary accounts within a department as deemed necessary and appropriate. Accordingly, the legal level of budgetary control by the Board of Supervisors is at the department level. Budgeted amounts in the budgetary comparison schedule are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

The County uses an encumbrance system as an extension of normal budgetary accounting. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Encumbrances are combined with expenditures for budgetary comparison purposes. Unencumbered appropriations lapse at year-end.

The amounts reported as expenditures by department include amounts charged each department to service the pension obligation bond debt because the budget includes these amounts as expenditures. "UAAL Pension Bond Debt Service Transfer" is a reporting adjustment made at the function level to achieve agreement with the financial statements where these expenditures are reported as transfers in accordance with GAAP.

COUNTY OF CONTRA COSTA

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2002

(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total
Assets:					
Cash and investments	$ 223,034	65,213	49,919	2,140	340,306
Accounts receivable and accrued revenue	11,423	232	1		11,656
Due from other funds	8,847	2,713	515		12,075
Advances to other funds	4,883				4,883
Notes receivable	7,279				7,279
Prepaid items and deposits	413				413
Land held for resale	1,164		122		1,286
Total Assets	$ 257,043	68,158	50,557	2,140	377,898
Liabilities and Fund Balances:					
Liabilities:					
Short term notes	$				
Accounts payable and accrued liabilities	11,043	1,297	210		12,550
Due to other funds	23,808	10,215	391	61	34,475
Advances from other funds	4,107	90	824		5,021
Deferred revenue	26,988				26,988
Total Liabilities	65,946	11,602	1,425	61	79,034
Fund Balances:					
Reserved for:					
Encumbrances	7,229		37		7,266
Advances to other funds	4,883				4,883
Prepaid items and deposits	413				413
Land held for resale	1,164		122		1,286
Housing projects	616				616
Debt service		27,464			27,464
Nonexpendable permanent fund				1,726	1,726
Unreserved, reported in:					
Special revenue funds	176,792				176,792
Debt service funds		29,092			29,092
Capital projects funds			48,973		48,973
Permanent fund				353	353
Total Fund Balances	191,097	56,556	49,132	2,079	298,864
Total Liabilities and Fund Balances	$ 257,043	68,158	50,557	2,140	377,898

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total
Revenues:					
Taxes	$ 109,423	9,814	2,827		122,064
Licenses, permits and franchise fees	11,495				11,495
Fines, forfeitures and penalties	4,017				4,017
Use of money and property	5,342	5,783	2,070	42	13,237
Intergovernmental	38,775	9	588		39,372
Charges for services	40,875				40,875
Other revenue	18,033	1,607	27		19,667
Total Revenues	227,960	17,213	5,512	42	250,727
Expenditures:					
Current:					
General government	1,976				1,976
Public protection	123,863		78		123,941
Health and sanitation	9,551				9,551
Public assistance	14,982	3,781	3,798		22,561
Education	16,162				16,162
Public ways and facilities	43,150		1		43,151
Recreation and culture	1,099				1,099
Debt service:					
Principal	83	25,027			25,110
Bond issuance cost		412			412
Interest	683	33,385	24		34,092
Capital outlay		24,821			24,821
Total Expenditures	211,549	87,426	3,901		302,876
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,411	(70,213)	1,611	42	(52,149)
Other Financing Sources (Uses):					
Transfers in	2,760	45,902			48,662
Transfers out	(5,422)	(1,464)		(60)	(6,946)
Proceeds from the sale of real estate	500				500
Proceeds from issuance of debt		12,650			12,650
Total Other Financing Sources (Uses)	(2,162)	57,088		(60)	54,866
Net Change in Fund Balances	14,249	(13,125)	1,611	(18)	2,717
Fund Balances at Beginning of Year, as Previously Reported	144,020	65,617	47,380		257,017
Adjustments to beginning fund balances	32,828	4,064	141	2,097	39,130
Fund Balances at Beginning of Year, as Restated	176,848	69,681	47,521	2,097	296,147
Fund Balances at End of Year	$ 191,097	56,556	49,132	2,079	298,864

Nonmajor Special Revenue Funds

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues that are restricted by law or administrative action to expenditures for specified purposes. Nonmajor special revenue funds used by the County are listed below:

ROAD FUNDS

These Funds were established to provide for maintenance and construction of roadways. Revenues consist primarily of the County's share of State highway user taxes and are supplemented by Federal funds.

LIBRARY FUND

This Fund was established to provide library services for all areas of the County except the City of Richmond. Property taxes provide most of the Fund's revenues.

FIRE PROTECTION FUNDS

These Special District Funds provide fire protection services to both cities and unincorporated areas in the County. They are financed primarily by property taxes.

HEALTH AND SANITATION FUNDS

These Funds provide a variety of health and sanitation services. They are financed by State grants, the County's share of the tobacco tax and user fees.

SERVICE AREAS FUNDS

These Special District Funds provide services such as lighting, park, or street maintenance to specific areas in the County. They are financed by property taxes and user charges.

FLOOD CONTROL FUNDS

These Special District Funds provide services to control flood and storm waters. Revenues are primarily received from property taxes and federal grants.

LAW ENFORCEMENT FUNDS

These Funds provide for a variety of law enforcement services financed by property taxes, narcotics seizures and court fines and fees.

COURTS AND CRIMINAL JUSTICE FUNDS

These Funds are used for the improvement of courthouse and criminal justice facilities and related automated information systems. Revenues are derived from court fines and fees.

RECORDER/CLERK MODERNIZATION FUNDS

These Funds provide for automation of civil and small claims functions of the courts and for micrographics and modernization of the Recorder's Office. Revenues received are from filing and recording fees.

LAND DEVELOPMENT FUND

This Fund was established to report growth management related activities, such as Building Inspection, Public Works engineering and Community Development growth management related services.

REDEVELOPMENT AGENCY (RDA) FUNDS

These Funds are used to account for the financial resources designated for the improvement of targeted low to moderate income housing areas and the elimination of blight.

CHILD DEVELOPMENT FUND

This Fund is used to account for the financial resources designated for the County's Child Development programs.

IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY (IHSS) FUND

This Fund is used to provide services to both providers and recipients of in-home care delivered through the In-Home Supportive Services program.

OTHER SPECIAL REVENUE FUNDS

These Funds account for the activities of several non-grant Special Revenue Funds. They include Fish and Game, Survey Monuments, Victim Assistance, Sans Crainte Drainage and County Water Districts.

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

COUNTY OF CONTRA COSTA

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

JUNE 30, 2002

(In Thousands)

	Road	Library	Fire Protection	Health & Sanitation	Service Areas	Flood Control
Assets:						
Cash and investments	$ 47,400	9,900	39,043	6,065	14,298	19,634
Accounts receivable and accrued revenue	5,414	773	1,630	314	64	850
Due from other funds	1,240	258	633	43	607	227
Advances to other funds						
Notes receivable						
Prepaid items and deposits	91		209			1
Land held for resale						
Total Assets	$ 54,145	10,931	41,515	6,422	14,969	20,712
Liabilities and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	$ 915	1,107	5,294	477	803	256
Due to other funds	2,884	395	248	1,941	1,051	2,746
Advances from other funds						138
Deferred revenue	1,500	14	20	9		
Total Liabilities	5,299	1,516	5,562	2,427	1,854	3,140
Fund Balances:						
Reserved for:						
Encumbrances	442	1,252	3,808	1	162	327
Advances to other funds						
Prepaid items and deposits	91		209			1
Land held for resale						
Housing projects						
Unreserved:						
Designated for equipment replacement	4,341	68				296
Undesignated	43,972	8,095	31,936	3,994	12,953	16,948
Total Fund Balances	48,846	9,415	35,953	3,995	13,115	17,572
Total Liabilities and Fund Balances	$ 54,145	10,931	41,515	6,422	14,969	20,712

Law Enforcement	Courts & Criminal Justice	Recorder/ Clerk Modernization	Land Development	Redevelopment Agency	Child Development	In-Home Supportive Services	Other Special Revenue	Total
26,430	1,381	7,268	29,644	4,671			17,300	223,034
95	335	36	322	1	914	377	298	11,423
70	90	24	1,324	158	3,050	746	377	8,847
							4,883	4,883
				1,740			5,539	7,279
				100	8	4		413
				1,164				1,164
26,595	1,806	7,328	31,290	7,834	3,972	1,127	28,397	257,043
150	189	50	912		643	81	166	11,043
5,778	204	312	1,778	245	3,349	866	2,011	23,808
				3,969				4,107
	32		17,659	1,740	59		5,955	26,988
5,928	425	362	20,349	5,954	4,051	947	8,132	65,946
629		19	485		17	4	83	7,229
							4,883	4,883
				100	8	4		413
				1,164				1,164
				616				616
			369					5,074
20,038	1,381	6,947	10,087		(104)	172	15,299	171,718
20,667	1,381	6,966	10,941	1,880	(79)	180	20,265	191,097
26,595	1,806	7,328	31,290	7,834	3,972	1,127	28,397	257,043

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Road	Library	Fire Protection	Health & Sanitation	Service Areas	Flood Control
Revenues:						
Taxes	$ 14,596	12,650	62,695	4,519	3,179	5,178
Licenses, permits and franchise fees			149		17	3,587
Fines, forfeitures and penalties				1,216		
Use of money and property	1,142	17	529	129	439	443
Intergovernmental	6,286	3,317	2,615	4,761	1,411	512
Charges for services	5,036	738	2,518	103	2,969	11,380
Other revenue	2,716	1,346	871		111	845
Total Revenues	29,776	18,068	69,377	10,728	8,126	21,945
Expenditures:						
Current:						
General government		280				
Public protection			67,499		6,380	16,136
Health and sanitation				9,551		
Public assistance						
Education		16,035			127	
Public ways and facilities	33,797				711	1
Recreation and culture					904	
Debt service:						
Principal				77	6	
Interest				7		134
Total Expenditures	33,797	16,315	67,499	9,635	8,128	16,271
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,021)	1,753	1,878	1,093	(2)	5,674
Other Financing Sources (Uses):						
Transfers in	102	1,394	206		15	
Transfers out		(434)	(206)	(8)	(15)	(102)
Sale of real estate	500					
Total Other Financing Sources (Uses)	602	960		(8)		(102)
Net Change in Fund Balances	(3,419)	2,713	1,878	1,085	(2)	5,572
Fund Balances at Beginning of Year, as Previously Reported	33,767	6,496	29,130	2,910	11,844	15,670
Adjustments to beginning fund balance	18,498	206	4,945		1,273	(3,670)
Fund Balances at Beginning of Year, as Restated	52,265	6,702	34,075	2,910	13,117	12,000
Fund Balances at End of Year	$ 48,846	9,415	35,953	3,995	13,115	17,572

Law Enforcement	Courts & Criminal Justice	Recorder/ Clerk Modernization	Land Development	Redevelopment Agency	Child Development	In-Home Supportive Services	Other Special Revenue	Total
4,818				1,474			314	109,423
			7,692				50	11,495
387	2,395						19	4,017
469	188		528	460	(20)		1,018	5,342
9,229	174	17	76		8,026	959	1,392	38,775
701		3,113	11,130				3,187	40,875
574			6,525		3,546	3	1,496	18,033
16,178	2,757	3,130	25,951	1,934	11,552	962	7,476	227,960
13	1						1,682	1,976
14,988	1	1,407	14,427				3,025	123,863
								9,551
				1,403	11,497	599	1,483	14,982
								16,162
			8,641					43,150
195								1,099
								83
				79			463	683
15,196	2	1,407	23,068	1,482	11,497	599	6,653	211,549
982	2,755	1,723	2,883	452	55	363	823	16,411
532			11				500	2,760
(1,106)	(2,440)	(22)	(401)	(349)	(214)		(125)	(5,422)
								500
(574)	(2,440)	(22)	(390)	(349)	(214)		375	(2,162)
408	315	1,701	2,493	103	(159)	363	1,198	14,249
17,278	791	5,265	4,879	803	202		14,985	144,020
2,981	275		3,569	974	(122)	(183)	4,082	32,828
20,259	1,066	5,265	8,448	1,777	80	(183)	19,067	176,848
20,667	1,381	6,966	10,941	1,880	(79)	180	20,265	191,097

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
ROAD SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$	14,596	14,596	
Use of money and property	1,810	1,810	1,142	(668)
Intergovernmental	23,589	9,013	6,286	(2,727)
Charges for services	3,687	4,277	5,036	759
Other revenue	1,069	1,037	2,716	1,679
Total Revenues	30,155	30,733	29,776	(957)
Expenditures:				
Public Ways and Facilities				
Services and supplies	52,464	50,147	28,970	21,177
Other charges	2,310	5,526	4,256	1,270
Fixed assets	687	868	571	297
Reserves	561	561		561
Total Expenditures	56,022	57,102	33,797	23,305
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,867)	(26,369)	(4,021)	22,348
Other Financing Sources :				
Transfers in	102	102	102	
Sale of real estate		500	500	
Total Other Financing Sources	102	602	602	
Net Change in Fund Balance	(25,765)	(25,767)	(3,419)	22,348
Fund Balance at Beginning of Year, as Previously Reported	33,767	33,767	33,767	
Adjustments to beginning fund balance	18,498	18,498	18,498	
Fund Balance at Beginning of Year, as Restated	52,265	52,265	52,265	
Fund Balance at End of Year	$ 26,500	26,498	48,846	22,348

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

LIBRARY SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 11,636	11,636	12,650	1,014
Use of money and property	4	4	17	13
Intergovernmental	2,880	2,880	3,317	437
Charges for services	699	699	738	39
Other revenue	1,973	1,017	1,346	329
Total Revenues	17,192	16,236	18,068	1,832
Expenditures:				
General Government				
Fixed assets	1,576	1,549	280	1,269
Total General Government	1,576	1,549	280	1,269
Education				
Salaries and benefits	11,312	11,253	9,930	1,323
Services and supplies	3,283	4,263	3,638	625
Other charges	2,209	2,282	2,112	170
Fixed assets	1,032	443	355	88
Total Education	17,836	18,241	16,035	2,206
Total Expenditures	19,412	19,790	16,315	3,475
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,220)	(3,554)	1,753	5,307
Other Financing Sources (Uses):				
Transfers in		1,334	1,394	60
Transfers out	(434)	(434)	(434)	
Total Other Financing Sources (Uses)	(434)	900	960	60
Net Change in Fund Balance	(2,654)	(2,654)	2,713	5,367
Fund Balance at Beginning of Year, as Previously Reported	6,496	6,496	6,496	
Adjustments to beginning fund balance	206	206	206	
Fund Balance at Beginning of Year, as Restated	6,702	6,702	6,702	
Fund Balance at End of Year	$ 4,048	4,048	9,415	5,367

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

FIRE PROTECTION SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 60,823	60,823	62,695	1,872
Licenses, permits, and franchise fees	197	197	149	(48)
Use of money and property	424	424	529	105
Intergovernmental	953	953	2,615	1,662
Charges for services	1,638	1,685	2,518	833
Other revenue	420	628	871	243
Total Revenues	64,455	64,710	69,377	4,667
Expenditures:				
Current:				
Public Protection				
Salaries and benefits	52,808	51,364	50,051	1,313
Services and supplies	13,041	13,010	8,533	4,477
Other charges	2,335	2,614	2,196	418
Fixed assets	18,969	20,420	6,719	13,701
Total Expenditures	87,153	87,408	67,499	19,909
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,698)	(22,698)	1,878	24,576
Other Financing Sources (Uses):				
Transfers in		243	206	(37)
Transfers out		(243)	(206)	37
Total Other Financing Sources (Uses)				
Net Change in Fund Balance	(22,698)	(22,698)	1,878	24,576
Fund Balance at Beginning of the Year, as Previously Reported	29,130	29,130	29,130	
Adjustments to beginning fund balance	4,945	4,945	4,945	
Fund Balance at Beginning of the Year, as Restated	34,075	34,075	34,075	
Fund Balance at End of Year	$ 11,377	11,377	35,953	24,576

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

HEALTH AND SANITATION SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 4,443	4,514	4,519	5
Fines, forfeitures and penalties	878	1,171	1,216	45
Use of money and property	4	9	129	120
Intergovernmental	5,074	4,842	4,761	(81)
Charges for services	90	90	103	13
Other revenue	28	28		(28)
Total Revenues	10,517	10,654	10,728	74
Expenditures:				
Current:				
Health and Sanitation				
Salaries and benefits	385	397	145	252
Services and supplies	9,436	9,294	7,648	1,646
Other charges	3,443	3,681	1,746	1,935
Fixed assets	66	95	12	83
Total Health and Sanitation	13,330	13,467	9,551	3,916
Debt service:				
Principal	77	77	77	
Interest	7	7	7	
Total Expenditures	13,414	13,551	9,635	3,916
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,897)	(2,897)	1,093	3,990
Other Financing Uses:				
Transfers out	(8)	(8)	(8)	
Total Other Financing Uses	(8)	(8)	(8)	
Net Change in Fund Balance	(2,905)	(2,905)	1,085	3,990
Fund Balance at Beginning of Year	2,910	2,910	2,910	
Fund Balance at End of Year	$ 5	5	3,995	3,990

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

SERVICE AREAS SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 3,003	3,005	3,179	174
Licenses, permits and franchise fees	20	20	17	(3)
Use of money and property	542	546	439	(107)
Intergovernmental	1,250	1,250	1,411	161
Charges for services	2,288	2,288	2,969	681
Other revenue	141	159	111	(48)
Total Revenues	7,244	7,268	8,126	858
Expenditures				
Current:				
Public Protection				
Services and supplies	9,726	9,288	4,316	4,972
Other charges	1,551	2,035	2,035	
Fixed assets	1,665	1,655	29	1,626
Reserves	59	59		59
Total Public Protection	13,001	13,037	6,380	6,657
Education				
Services and supplies	117	117		117
Other charges	130	130	127	3
Total Education	247	247	127	120
Public Ways and Facilities				
Salaries and benefits				
Services and supplies	2,193	2,099	578	1,521
Other charges	5	117	109	8
Fixed assets	605	588	24	564
Total Public Ways and Facilities	2,803	2,804	711	2,093

(continued)

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
SERVICE AREAS SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Recreation and Culture				
Salaries and benefits	2	2	2	
Services and supplies	521	534	226	308
Other charges	191	197	178	19
Fixed assets	2,239	2,239	498	1,741
Total Recreation and Culture	2,953	2,972	904	2,068
Debt Service:				
Principal			6	(6)
Total Expenditures	19,004	19,060	8,128	10,932
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,760)	(11,792)	(2)	11,790
Other Financing Sources (Uses):				
Transfers in			15	15
Transfers out	(10)	(15)	(15)	
Total Other Financing Sources (Uses)	(10)	(15)		15
Net Change in Fund Balance	(11,770)	(11,807)	(2)	11,805
Fund Balance at Beginning of Year, as Previously Reported	11,844	11,844	11,844	
Adjustments to beginning fund balance	1,273	1,273	1,273	
Fund Balance at Beginning of Year, as Restated	13,117	13,117	13,117	
Fund Balance at End of Year	$ 1,347	1,310	13,115	11,805

(concluded)

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

FLOOD CONTROL SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 4,715	4,785	5,178	393
Licenses, permits and franchise fees	3,174	3,472	3,587	115
Use of money and property	422	479	443	(36)
Intergovernmental	470	773	512	(261)
Charges for services	10,266	10,781	11,380	599
Other revenue	1,125	1,542	845	(697)
Total Revenues	20,172	21,832	21,945	113
Expenditures:				
Current:				
Public Protection				
Salaries and benefits	3	2	2	
Services and supplies	16,043	18,122	15,258	2,864
Other charges	10,832	9,772	811	8,961
Fixed assets	116	381	65	316
Reserves	487	419		419
Total Public Protection	27,481	28,696	16,136	12,560
Public Ways and Facilities				
Services and supplies	2,499	2,499		2,499
Other charges	2	2	1	1
Total Public Ways and Facilities	2,501	2,501	1	2,500
Debt service:				
Principal		448		448
Interest	134	98	134	(36)
Total Expenditures	30,116	31,743	16,271	15,472
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,944)	(9,911)	5,674	15,585
Other Financing Sources (Uses):				
Transfers in	16	16		(16)
Transfers out	(1,500)	(1,533)	(102)	1,431
Total Other Financing Sources (Uses)	(1,484)	(1,517)	(102)	1,415
Net Change in Fund Balance	(11,428)	(11,428)	5,572	17,000
Fund Balance at Beginning of Year, as Previously Reported	15,670	15,670	15,670	
Adjustments to beginning fund balance	(3,670)	(3,670)	(3,670)	
Fund Balance at Beginning of Year, as Restated	12,000	12,000	12,000	
Fund Balance at End of Year	$ 572	572	17,572	17,000

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

LAW ENFORCEMENT SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 4,736	4,998	4,818	(180)
Fines, forfeitures and penalties	383	383	387	4
Use of money and property	80	120	469	349
Intergovernmental	5,697	6,731	9,229	2,498
Charges for services	297	2,788	701	(2,087)
Other revenue	710	715	574	(141)
Total Revenues	11,903	15,735	16,178	443
Expenditures:				
General Government				
Services and supplies	1,072	1,071		1,071
Other charges		1		1
Fixed assets	1,209	1,208	13	1,195
Total General Government	2,281	2,280	13	2,267
Public Protection				
Salaries and benefits	1,374	1,654	1,485	169
Services and supplies	17,655	16,586	8,330	8,256
Other charges	3,502	6,503	5,131	1,372
Fixed assets	161	780	42	738
Total Public Protection	22,692	25,523	14,988	10,535
Recreation and Culture				
Salaries and benefits	4	5	5	
Services and supplies	226	223	167	56
Other charges	21	23	23	
Fixed assets	10	10		10
Total Recreation and Culture	261	261	195	66
Total Expenditures	25,234	28,064	15,196	12,868
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,331)	(12,329)	982	13,311
Other Financing Sources (Uses):				
Transfers in	60	60	532	472
Transfers out	(106)	(1,106)	(1,106)	
Total Other Financing Sources (Uses)	(46)	(1,046)	(574)	472
Net Change in Fund Balance	(13,377)	(13,375)	408	13,783
Fund Balance at Beginning of Year, as Previously Reported	17,278	17,278	17,278	
Adjustments to beginning fund balance	2,981	2,981	2,981	
Fund Balance at Beginning of Year, as Restated	20,259	20,259	20,259	
Fund Balance at End of Year	$ 6,882	6,884	20,667	13,783

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

COURTS AND CRIMINAL JUSTICE SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Fines, forfeitures and penalties	$ 2,109	2,109	2,395	286
Use of money and property			188	188
Intergovernmental			174	174
Total Revenues	2,109	2,109	2,757	648
Expenditures:				
General Government				
Services and supplies	241	241	1	240
Other charges	12	12		12
Total General Government	253	253	1	252
Public Protection				
Services and supplies	275	275	1	274
Total Public Protection	275	275	1	274
Total Expenditures	528	528	2	526
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,581	1,581	2,755	1,174
Other Financing Uses:				
Transfers out	(2,769)	(2,440)	(2,440)	
Total Other Financing Uses	(2,769)	(2,440)	(2,440)	
Net Change in Fund Balance	(1,188)	(859)	315	1,174
Fund Balance at Beginning of Year, as Previously Reported	791	791	791	
Adjustments to beginning fund balance	275	275	275	
Fund Balance at Beginning of Year, as Restated	1,066	1,066	1,066	
Fund Balance at End of Year	$ (122)	207	1,381	1,174

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

RECORDER/CLERK MODERNIZATION SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$		17	17
Charges for services	1,277	1,277	3,113	1,836
Total Revenues	1,277	1,277	3,130	1,853
Expenditures:				
Public Protection				
Salaries and benefits	635	629	435	194
Services and supplies	3,871	3,871	907	2,964
Other charges		6	6	
Fixed assets	2,012	2,012	59	1,953
Total Expenditures	6,518	6,518	1,407	5,111
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,241)	(5,241)	1,723	6,964
Other Financing Uses:				
Transfers out	(22)	(22)	(22)	
Total Other Financing Uses	(22)	(22)	(22)	
Net Change in Fund Balance	(5,263)	(5,263)	1,701	6,964
Fund Balance at Beginning of Year	5,265	5,265	5,265	
Fund Balance at End of Year	$ 2	2	6,966	6,964

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

LAND DEVELOPMENT SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Licenses, permits and franchise fees	$ 10,826	10,842	7,692	(3,150)
Use of money and property	528	528	528	
Intergovernmental			76	76
Charges for services	9,104	9,195	11,130	1,935
Other revenue	568	2,004	6,525	4,521
Total Revenues	21,026	22,569	25,951	3,382
Expenditures:				
Public Protection				
Salaries and benefits	7,126	6,637	6,224	413
Services and supplies	11,542	11,172	6,068	5,104
Other charges	1,071	1,833	1,811	22
Fixed assets	306	459	324	135
Total Public Protection	20,045	20,101	14,427	5,674
Public Ways and Facilities				
Services and supplies	9,055	10,317	8,427	1,890
Other charges	52	215	214	1
Total Public Ways and Facilities	9,107	10,532	8,641	1,891
Total Expenditures	29,152	30,633	23,068	7,565
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,126)	(8,064)	2,883	10,947
Other Financing Sources (Uses):				
Transfers in			11	11
Transfers out	(341)	(401)	(401)	
Total Other Financing Sources (Uses)	(341)	(401)	(390)	11
Net Change in Fund Balance	(8,467)	(8,465)	2,493	10,958
Fund Balance at Beginning of Year, as Previously Reported	4,879	4,879	4,879	
Adjustments to beginning fund balance	3,569	3,569	3,569	
Fund Balance at Beginning of Year, as Restated	8,448	8,448	8,448	
Fund Balance at End of Year	$ (19)	(17)	10,941	10,958

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

REDEVELOPMENT AGENCY SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 1,440	1,440	1,474	34
Use of money and property	55	55	460	405
Other revenue	2,200	2,200		(2,200)
Total Revenues	3,695	3,695	1,934	(1,761)
Expenditures:				
Current:				
Public Assistance				
Services and supplies	456	456		456
Other charges	6,708	6,708	1,403	5,305
Total Public Assistance	7,164	7,164	1,403	5,761
Debt service:				
Interest			79	(79)
Total Expenditures	7,164	7,164	1,482	5,682
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,469)	(3,469)	452	3,921
Other Financing Uses:				
Transfers out			(349)	(349)
Total Other Financing Uses			(349)	(349)
Net Change in Fund Balance	(3,469)	(3,469)	103	3,572
Fund Balance at Beginning of Year, as Previously Reported	803	803	803	
Adjustments to beginning fund balance	974	974	974	
Fund Balance at Beginning of Year, as Restated	1,777	1,777	1,777	
Fund Balance at End of Year	$ (1,692)	(1,692)	1,880	3,572

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

CHILD DEVELOPMENT SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$		(20)	(20)
Intergovernmental	7,037	7,922	8,026	104
Other revenue	1,039	3,626	3,546	(80)
Total Revenues	8,076	11,548	11,552	4
Expenditures:				
Public Assistance				
Salaries and benefits	2,971	5,014	5,014	
Services and supplies	4,616	6,009	5,983	26
Other charges	464	501	500	1
Total Expenditures	8,051	11,524	11,497	27
Excess (Deficiency) of Revenues Over (Under) Expenditures	25	24	55	31
Other Financing Uses:				
Transfers out	(214)	(214)	(214)	
Total Other Financing Uses	(214)	(214)	(214)	
Net Change in Fund Balance	(189)	(190)	(159)	31
Fund Balance at Beginning of Year, as Previously Reported	202	202	202	
Adjustments to beginning fund balance	(122)	(122)	(122)	
Fund Balance at Beginning of Year, as Restated	80	80	80	
Fund Balance at End of Year	$ (109)	(110)	(79)	31

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORTIY SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$	100	959	859
Other revenue	863	863	3	(860)
Total Revenues	863	963	962	(1)
Expenditures:				
Current:				
Public Assistance				
Salaries and benefits	189	454	454	
Services and supplies	290	96	88	8
Other charges		57	57	
Fixed assets	29			
Total Expenditures	508	607	599	8
Excess of Revenues Over Expenditures	355	356	363	7
Net Change in Fund Balance	355	356	363	7
Fund Balance at Beginning of Year, as Previously Reported				
Adjustments to beginning fund balance	(183)	(183)	(183)	
Fund Balance at Beginning of Year, as Restated	(183)	(183)	(183)	
Fund Balance at End of Year	$ 172	173	180	7

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

OTHER SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 228	228	314	86
Licenses, permits and franchise fees	104	104	50	(54)
Fines, forfeitures and penalties	5	5	19	14
Use of money and property	2,568	2,604	1,018	(1,586)
Intergovernmental	1,798	1,798	1,392	(406)
Charges for services	503	581	3,187	2,606
Other revenue	498	1,933	1,496	(437)
Total Revenues	5,704	7,253	7,476	223
Expenditures:				
Current:				
General Government				
Services and supplies	4,275	2,637	45	2,592
Other charges		1,638	1,637	1
Total General Government	4,275	4,275	1,682	2,593
Public Protection				
Salaries and benefits		11	11	
Services and supplies	2,804	4,200	2,904	1,296
Other charges		44	40	4
Fixed assets		70	70	
Total Public Protection	2,804	4,325	3,025	1,300
Public Assistance				
Salaries and benefits	3	33		33
Services and supplies	8,118	8,163	1,479	6,684
Other charges	3	5	4	1
Total Public Assistance	8,124	8,201	1,483	6,718
Debt service:				
Interest	4,819	4,819	463	4,356
Total Expenditures	20,022	21,620	6,653	14,967
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,318)	(14,367)	823	15,190
Other Financing Sources (Uses):				
Transfers in			500	500
Transfers out			(125)	(125)
Total Other Financing Sources (Uses)			375	375
Net Change in Fund Balance	(14,318)	(14,367)	1,198	15,565
Fund Balance at Beginning of Year, as Previously Reported	14,985	14,985	14,985	
Adjustments to beginning fund balance	4,082	4,082	4,082	
Fund Balance at Beginning of Year, as Restated	19,067	19,067	19,067	
Fund Balance at End of Year	$ 4,749	4,700	20,265	15,565

DEBT SERVICE FUNDS

Debt Service Funds are used to account for accumulation of resources for, and payment of, principal and interest on the County's general long-term debt.

RECREATION AND PARK BONDS FUND

This Fund is used to accumulate monies for payment of recreation and park bonds. Financing is provided by specific property tax levies.

STORM DRAINAGE BONDS FUND

This Fund is used to accumulate monies for payment of storm drainage bonds. Financing is provided by specific property tax levies.

PUBLIC FINANCING AUTHORITY FUNDS

These Funds are used to accumulate resources for payment of general long-term debt incurred for the various financing activities of the County of Contra Costa Public Financing Authority.

PUBLIC FACILITIES CORPORATION FUNDS

These Funds are used to accumulate resources for payment of general long-term debt incurred for the various financing activities of the Contra Costa County Public Facilities Corporation.

REDEVELOPMENT AGENCY (RDA) FUNDS

These Funds are used to accumulate resources for payment of general long-term debt incurred for the purchase of real property within the area of the Redevelopment Agency.

PENSION BOND FUND

This Fund is used to accumulate monies for payment of taxable pension obligation bonds. These bonds were issued to reduce or extinguish the County's Unfunded Actuarial Accrued Liability (UAAL).

ASSESSMENT DISTRICTS FUNDS

These Funds were established to account for the accumulation of monies for payment of Assessment District debt issued to fund Assessment District capital improvement projects.

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COUNTY OF CONTRA COSTA
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
JUNE 30, 2002
(In Thousands)

	Recreation and Park Bonds	Storm Drainage Bonds	Public Financing Authority
Assets:			
Cash and investments	$ 21		44,636
Accounts receivable and accrued revenue	8		
Due from other funds			
Total Assets	29		44,636
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities			
Due to other funds			10,215
Advance from other funds			
Total Liabilities			10,215
Fund Balances:			
Reserved for:			
Debt service	29		5,329
Unreserved, designated for:			
Future projects			29,092
Total Fund Balances	29		34,421
Total Liabilities and Fund Balances	$ 29		44,636

Public Facilities Corporation	Redevelopment Agency	Pension Bond	Assessment Districts	Total
3,536	6,927	5,005	5,088	65,213
	93	128	3	232
		2,713		2,713
3,536	7,020	7,846	5,091	68,158
	1,091	2	204	1,297
				10,215
	90			90
	1,181	2	204	11,602
3,536	5,839	7,844	4,887	27,464
				29,092
3,536	5,839	7,844	4,887	56,556
3,536	7,020	7,846	5,091	68,158

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

DEBT SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Recreation and Park Bonds	Storm Drainage Bonds	Public Financing Authority
Revenues:			
Taxes	$ 527	5	
Use of money and property			1,005
Intergovernmental	9		
Other revenue			
Total Revenues	536	5	1,005
Expenditures:			
Current:			
General Government			
Public Assistance	2		
Capital outlay			24,821
Debt service:			
Principal	445	5	4,130
Bond issuance cost			412
Interest	84	1	8,689
Total Expenditures	531	6	38,052
Excess (Deficiency) of Revenues Over (Under) Expenditures	5	(1)	(37,047)
Other Financing Sources (Uses):			
Transfers in			13,728
Transfers out			(1,248)
Proceeds from issuance of debt			12,650
Total Other Financing Sources (Uses)			25,130
Net Change in Fund Balances	5	(1)	(11,917)
Fund Balances at Beginning of Year, as Previously Reported	24	1	42,321
Adjustments to beginning fund balances			4,017
Fund Balances at Beginning of Year, as Restated	24	1	46,338
Fund Balances at End of Year	$ 29		34,421

Public Facilities Corporation	Redevelopment Agency	Pension Bond	Assessment Districts	Total
	3,071		6,211	9,814
3,450	297	920	111	5,783
				9
		1,282	325	1,607
3,450	3,368	2,202	6,647	17,213
192		7	3,580	3,781
				24,821
2,145	700	15,915	1,687	25,027
				412
1,592	2,624	19,354	1,041	33,385
3,929	3,324	35,276	6,308	87,426
(479)	44	(33,074)	339	(70,213)
	349	31,825		45,902
			(216)	(1,464)
				12,650
	349	31,825	(216)	57,088
(479)	393	(1,249)	123	(13,125)
4,015	5,446	9,056	4,754	65,617
		37	10	4,064
4,015	5,446	9,093	4,764	69,681
3,536	5,839	7,844	4,887	56,556

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

RECREATION AND PARK BONDS DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 529	529	527	(2)
Intergovernmental	5	5	9	4
Total Revenues	534	534	536	2
Expenditures:				
Current:				
Public Assistance	28	28	2	26
Debt service:				
Principal	445	445	445	
Interest	84	84	84	
Total Expenditures	557	557	531	26
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23)	(23)	5	28
Net Change in Fund Balance	(23)	(23)	5	28
Fund Balance at Beginning of Year	24	24	24	
Fund Balance at End of Year	$ 1	1	29	28

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

STORM DRAINAGE BONDS DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	$ 6	6	5	(1)
Expenditures:				
Debt service:				
Principal	5	5	5	
Interest	1	1	1	
Services and supplies	1	1		1
Total Expenditures	7	7	6	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1)	(1)	(1)	
Net Change in Fund Balance	(1)	(1)	(1)	
Fund Balance at Beginning of Year	1	1	1	
Fund Balance at End of Year	$			

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

REDEVELOPMENT AGENCY DEBT SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 3,107	3,107	3,071	(36)
Use of money and property			297	297
Total Revenues	3,107	3,107	3,368	261
Expenditures:				
Debt service:				
Principal	700	700	700	
Interest	2,407	2,407	2,624	(217)
Total Expenditures	3,107	3,107	3,324	(217)
Excess (Deficiency) of Revenues Over (Under) Expenditures			44	44
Other Financing Sources :				
Transfers in			349	349
Total Other Financing Sources			349	349
Net Change in Fund Balance			393	393
Fund Balance at Beginning of Year	5,446	5,446	5,446	
Fund Balance at End of Year	$ 5,446	5,446	5,839	393

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

PENSION BOND DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$ 1,063	1,063	920	(143)
Other revenue		1,414	1,282	(132)
Total Revenues	1,063	2,477	2,202	(275)
Expenditures:				
Current:				
Public Assistance	44	44	7	37
Debt service:				
Principal	12,406	15,915	15,915	
Interest	15,163	19,354	19,354	
Total Expenditures	27,613	35,313	35,276	37
Deficiency of Revenues Under Expenditures	(26,550)	(32,836)	(33,074)	(238)
Other Financing Sources:				
Transfers in	25,539	31,825	31,825	
Total Other Financing Sources	25,539	31,825	31,825	
Net Change in Fund Balance	(1,011)	(1,011)	(1,249)	(238)
Fund Balance at Beginning of Year, as Previously Reported	9,056	9,056	9,056	
Adjustments to beginning fund balance	37	37	37	
Fund Balance at Beginning of Year, as Restated	9,093	9,093	9,093	
Fund Balance at End of Year	$ 8,082	8,082	7,844	(238)

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed in the proprietary fund type.

REDEVELOPMENT AGENCY (RDA) FUNDS

The Redevelopment Agency was formed for the acquisition of real property and construction of improvements thereon in the County's unincorporated areas for the purpose of removing or preventing blight.

COUNTY FACILITIES FUNDS

These Funds are used to report improvements to Juvenile Hall facilities and other miscellaneous capital projects.

ASSESSMENT DISTRICTS FUNDS

These Funds were established to account for all the capital improvement projects constructed using Assessment District funds.

COUNTY OF CONTRA COSTA
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
JUNE 30, 2002
(In Thousands)

	Redevelopment Agency	County Facilities	Assessment Districts	Total
Assets:				
Cash and investments	$ 39,711	180	10,028	49,919
Accounts receivable and accrued revenue (net)	1			1
Due from other funds	515			515
Land held for resale	122			122
Total Assets	$ 40,349	180	10,028	50,557
Liabilites and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	$ 131	78	1	210
Due to other funds	391			391
Advances from other funds	824			824
Total Liabilities	1,346	78	1	1,425
Fund balances:				
Reserved for:				
Encumbrances	37			37
Land held for resale	122			122
Unreserved:				
Designated for capital projects	38,844			38,844
Undesignated		102	10,027	10,129
Total Fund Balances	39,003	102	10,027	49,132
Total Liabilities and Fund Balances	$ 40,349	180	10,028	50,557

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

CAPITAL PROJECTS FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Redevelopment Agency	County Facilities	Assessment Districts	Total
Revenues:				
Taxes	$ 2,827			2,827
Use of money and property	1,833	2	235	2,070
Intergovernmental	588			588
Other revenue	27			27
Total Revenues	5,275	2	235	5,512
Expenditures:				
Current:				
General government				
Public protection		78		78
Public assistance	3,798			3,798
Public ways and facilities			1	1
Debt service:				
Interest	24			24
Total Expenditures	3,822	78	1	3,901
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,453	(76)	234	1,611
Net Change in Fund Balance	1,453	(76)	234	1,611
Fund Balances at Beginning of Year, as Previously Reported	37,428	178	9,774	47,380
Adjustments to beginning fund balances	122		19	141
Fund Balances at Beginning of Year, as Restated	37,550	178	9,793	47,521
Fund Balances at End of Year	$ 39,003	102	10,027	49,132

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

REDEVELOPMENT AGENCY CAPITAL PROJECTS FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 3,246	3,246	2,827	(419)
Use of money and property	292	292	1,833	1,541
Intergovernmental			588	588
Other revenue	3,153	3,153	27	(3,126)
Total Revenues	6,691	6,691	5,275	(1,416)
Expenditures:				
Current:				
Public Assistance				
Salaries and benefits	8	9		9
Services and supplies	2,945	2,945		2,945
Other charges	38,449	38,449	3,798	34,651
Total Public Assistance	41,402	41,403	3,798	37,605
Debt service:				
Interest			24	(24)
Total Expenditures	41,402	41,403	3,822	37,581
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,711)	(34,712)	1,453	36,165
Net Change in Fund Balance	(34,711)	(34,712)	1,453	36,165
Fund Balance at Beginning of Year, as Previously Reported	37,428	37,428	37,428	
Adjustments to beginning fund balance	122	122	122	
Fund Balance at Beginning of Year, as Restated	37,550	37,550	37,550	
Fund Balance at End of Year	$ 2,839	2,838	39,003	36,165

COUNTY OF CONTRA COSTA

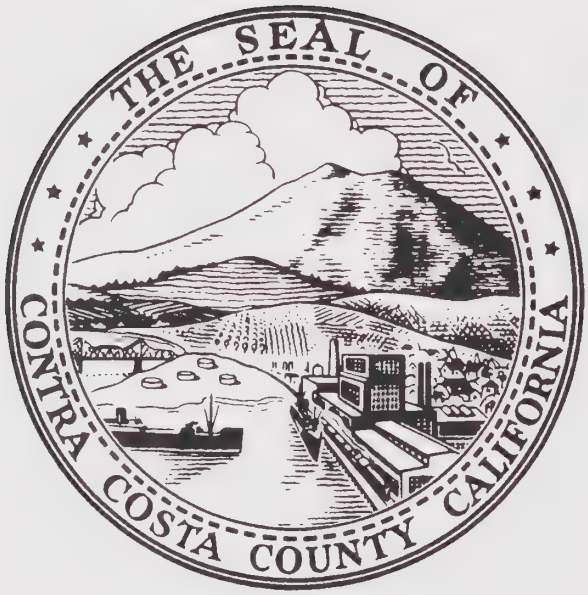
BUDGETARY COMPARISON SCHEDULE

COUNTY FACILITIES CAPITAL PROJECTS FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$		2	2
Total Revenues			2	2
Expenditures:				
Current:				
Public Protection				
Services and supplies	178	178	78	100
Total Public Protection	178	178	78	100
Total Expenditures	178	178	78	100
Excess (Deficiency) of Revenues Over (Under) Expenditures	(178)	(178)	(76)	102
Net Change in Fund Balance	(178)	(178)	(76)	102
Fund Balance at Beginning of Year	178	178	178	
Fund Balance at End of Year	$		102	102


THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Nonmajor Governmental Fund

PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The County's permanent fund is included in the combining financial statements of the nonmajor governmental funds (starting on page 81).

LIBRARY GIFT PERMANENT FUND

This fund is used to account for principal trust amounts received and related interest income. The interest portion of the fund is used to support the County Libraries.

THE SEAL OF
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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is to have the costs (expenses, including depreciation and amortization) of providing goods or services to the general public on a continuing basis be financed primarily through user charges; or where the County has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

AIRPORT FUND

This Fund was established to account for the financial activities of the Buchanan Field and Byron Airport aviation facilities. Revenues include receipts under rental and lease arrangements involving County airport facilities, and State and Federal aid.

HOUSING AUTHORITY FUNDS

These Funds are used to account for the financial resources designated for housing and housing assistance to low income residents of Contra Costa County.

SHERIFF LAW ENFORCEMENT TRAINING CENTER FUND

This Fund was established to account for the financial activities of the Sheriff Law Enforcement Training Center. The Center provides training to law enforcement personnel from the County Sheriff's Office and other agencies. Revenues include tuition fees paid by the student or law enforcement agency and State aid.

MAJOR RISK MEDICAL INSURANCE FUND

This Fund accounts for operations of the County's participation in the State's Major Risk Medical Insurance Program. The Program is designed to provide health insurance to Californians who are unable to obtain coverage on the open market. The Contra Costa Health Plan acts as the fiscal intermediary for the State. The County is not at risk for the costs of services in the Program, which is funded through a combination of subscriber premiums and State funding from tobacco tax monies.

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF NET ASSETS

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2002*

(In Thousands)

	Airport	Housing Authority	Sheriff Law Enforcement Training Center	Major Risk Medical Insurance	Total
Assets:					
Current assets:					
Cash and investments	$ 1,186	12,540			13,726
Accounts receivable and accrued revenue (net)	137	2,330	165	540	3,172
Inventories	9				9
Due from other funds	97				97
Notes receivable		1,659			1,659
Prepaid items and deposits	57	134			191
Total current assets	1,486	16,663	165	540	18,854
Capital assets:					
Nondepreciable	9,539	4,702			14,241
Depreciable, net	17,750	12,879	46		30,675
Total Assets	$ 28,775	34,244	211	540	63,770
Liabilities and Net Assets					
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	$ 242	2,071	124	4	2,441
Accrued interest	54				54
Due to other funds	205		745	443	1,393
Deferred revenue		7,706			7,706
Current portion of long-term debt	670	37	2		709
Total current liabilities	1,171	9,814	871	447	12,303
Noncurrent portion of long-term liabilities:					
Capital lease obligations	1,546				1,546
Compensated absences	46	330	15		391
Bonds and notes payable	734	185			919
Total noncurrent portion of long-term liabilities	2,326	515	15		2,856
Total Liabilities	3,497	10,329	886	447	15,159
Net Assets:					
Invested in capital assets, net of related debt	24,345	17,581	46		41,972
Unrestricted	933	6,334	(721)	93	6,639
Total Net Assets	25,278	23,915	(675)	93	48,611
Total Liabilities and Net Assets	$ 28,775	34,244	211	540	63,770

* Housing Authority Funds reported as of March 31, 2002

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2002*

(In Thousands)

	Airport	Housing Authority	Sheriff Law Enforcement Training Center	Major Risk Medical Insurance	Total
Operating Revenues:					
Charges for services	$ 3,002	3,536	200	931	7,669
Other revenue	130	944			1,074
Total Operating Revenues	3,132	4,480	200	931	8,743
Operating Expenses:					
Salaries and employee benefits	1,015		479		1,494
Services and supplies	824		591	931	2,346
Other charges	279	61,942	32		62,253
Depreciation	1,887	2,952			4,839
Total Operating Expenses	4,005	64,894	1,102	931	70,932
Operating income (loss)	(873)	(60,414)	(902)		(62,189)
Nonoperating Revenues (Expenses):					
State and federal grants	130	59,459	242		59,831
Investment income	23	271			294
Interest expense	(293)	(144)			(437)
Total Nonoperating Revenue (Expenses)	(140)	59,586	242		59,688
Loss Before Transfers	(1,013)	(828)	(660)		(2,501)
Transfers out	(55)		(15)		(70)
Change in Net Assets	(1,068)	(828)	(675)		(2,571)
Net Assets at Beginning of Year, as Previously Reported	25,367	26,365		93	51,825
Adjustments to beginning net assets	979	(1,622)			(643)
Net Assets at Beginning of Year, as Restated	26,346	24,743		93	51,182
Net Assets at End of Year	$ 25,278	23,915	(675)	93	48,611

*Housing Authority Funds reported as of March 31, 2002.

COUNTY OF CONTRA COSTA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002*
(In Thousands)

	Airport	Housing Authority	Sheriff Law Enforcement Training Center	Major Risk Medical Insurance	Total
Cash Flows from Operating Activities:					
Cash received from customers/other funds	$ 3,013	11,615	35	1,142	15,805
Cash payment to suppliers for goods and services	(1,083)	(58,351)	(233)	(1,465)	(61,132)
Cash payment to employees for services	(1,012)	(6,195)	(432)		(7,639)
Net Cash Provided by Operating Activities	918	(52,931)	(630)	(323)	(52,966)
Cash flows from Noncapital Financing Activities:					
State and federal grants	130	59,459	242		59,831
Transfers paid	(55)		(15)		(70)
Due to other funds			449	323	772
Net Cash Provided by (Used for) Noncapital Financing Activities	75	59,459	676	323	60,533
Cash Flows from Capital and Related Financing Activities					
Acquisition and construction of capital assets	(123)	(2,048)	(46)		(2,217)
Interest paid	(205)				(205)
Lease purchase obligation principal payment	(600)				(600)
Principal paid on bonds and certificates	(60)				(60)
Net Cash Used in Capital and Related Financing Activities	(988)	(2,048)	(46)		(3,082)
Cash Flows from Investing Activities:					
Interest received on investments	23	271			294
Investments, net		(321)			(321)
Net Cash Provided by (Used in) Investing Activities	23	(50)			(27)
Net Increase in Cash and Cash Equivalents	28	4,430			4,458
Cash and Cash Equivalents at Beginning of Year	1,158	8,110			9,268
Cash and Cash Equivalents at End of Year	$ 1,186	12,540			13,726
Reconciliation of Operating Loss to Net Cash Provided by (Used for) Operating Activities:					
Operating Loss	$ (873)	(60,414)	(902)		(62,189)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) Operating Activities:					
Depreciation	1,887	2,952			4,839
Changes in operating assets and liabilities:					
Decrease (increase) in:					
Accounts receivable and accrued revenue	(124)	(1,487)	(165)	211	(1,565)
Inventories	8				8
Due from other funds	5				5
Prepaid items and deposits	1	49			50
Increase (decrease) in:					
Accounts payable and accrued liabilities	7	(33)	124	3	101
Employee benefits payable	(3)	77	17		91
Due to other funds	10		296	(537)	(231)
Deferred revenue		5,925			5,925
Net Cash Provided by (Used in) Operating Activities	$ 918	(52,931)	(630)	(323)	(52,966)
Noncash capital financing activities (Airport):					
Accrued interest	$ 87				
Lease discount amortization	33				
Capital asset adjustment	9				

* Housing Authority Funds reported as of March 31, 2002.

INTERNAL SERVICE FUNDS

SELF-INSURANCE FUNDS

These Funds are established to account for administrative costs and for payments of claims under the various insurance programs. Revenues are primarily premiums paid by other operating funds and interest on investments. The insurance programs are:

Employee Dental Insurance
Employee Medical Insurance – Fund terminated as of June 30, 2002
Long-Term Disability Insurance (Management Employees)
Workers' Compensation Insurance

- County General
- Fire Protection

Automotive Liability Insurance
Public (General) Liability Insurance
State Unemployment Insurance
Medical Liability Insurance
Special District Property Insurance

COUNTY OF CONTRA COSTA
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
JUNE 30, 2002
(In Thousands)

	Employee Dental Insurance	Employee Medical Insurance	Long-Term Disability Insurance
Assets:			
Cash and investments	$ 1,892		1,829
Accounts receivable and accrued revenue (net)			
Due from other funds		72	
Total Assets	$ 1,892	72	1,829
Liabilities and Equity			
Liabilities:			
Due to other funds	$ 43	72	26
Claims payable :			
Current	472		
Noncurrent			425
Total Liabilities	515	72	451
Net Assets:			
Unrestricted net assets	1,377		1,378
Total Liabilities and Net Assets	$ 1,892	72	1,829

Workers' Compensation Insurance County General	Workers' Compensation Insurance Fire Protection	Automotive Liability Insurance	Public Liability Insurance	State Unemployment Insurance	Medical Liability Insurance	Special District Property Insurance	Total
33,291	7,062	2,054	28,247	2,352	3,503	635	80,865
1,534	126		75	80			1,815
		73	1,674			1	1,820
34,825	7,188	2,127	29,996	2,432	3,503	636	84,500
717	133		255	16	13		1,275
13,434	1,313	390	1,987	221	1,262		19,079
38,995	6,425	1,515	22,251		6,365		75,976
53,146	7,871	1,905	24,493	237	7,640		96,330
(18,321)	(683)	222	5,503	2,195	(4,137)	636	(11,830)
34,825	7,188	2,127	29,996	2,432	3,503	636	84,500

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

INTERNAL SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Employee Dental Insurance	Employee Medical Insurance	Long-Term Disability Insurance
Operating Revenues:			
Charges for services	$ 7,358		
Other revenue		72	
Total Operating Revenues	7,358	72	
Operating Expenses:			
Services and supplies	499		104
Benefit and claim expense	6,577		943
Total Operating Expenses	7,076		1,047
Operating Income (Loss)	282	72	(1,047)
Nonoperating Revenues:			
State and federal grants			
Investment income	28		64
Income (Loss) Before Transfers	310	72	(983)
Transfers in			
Transfers out			
Changes in Net Assets	310	72	(983)
Net Assets at Beginning of Year, as Previously Reported	1,067	683	2,361
Adjustments to beginning net assets		(755)	
Net Assets at Beginning of Year, as Restated	1,067	(72)	2,361
Net Assets at End of Year	$ 1,377		1,378

Workers' Compensation Insurance County General	Workers' Compensation Insurance Fire Protection	Automotive Liability Insurance	Public Liability Insurance	State Unemployment Insurance	Medical Liability Insurance	Special District Property Insurance	Total
14,233	1,546	547	6,561	902		282	31,429
					964		1,036
14,233	1,546	547	6,561	902	964	282	32,465
2,742	295	93	4,397	36	1,275	177	9,618
25,096	3,695	551	5,173	542	(2)	131	42,706
27,838	3,990	644	9,570	578	1,273	308	52,324
(13,605)	(2,444)	(97)	(3,009)	324	(309)	(26)	(19,859)
	10						10
1,806	267		1,045	50	4	13	3,277
(11,799)	(2,167)	(97)	(1,964)	374	(305)	(13)	(16,572)
					3,000		3,000
(11,799)	(2,167)	(97)	(1,964)	374	2,695	(13)	(13,572)
(6,522)	1,484	319	7,467	1,821	(6,832)	649	2,497
							(755)
(6,522)	1,484	319	7,467	1,821	(6,832)	649	1,742
(18,321)	(683)	222	5,503	2,195	(4,137)	636	(11,830)

COUNTY OF CONTRA COSTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Employee Dental Insurance	Employee Medical Insurance	Long-Term Disability Insurance
Cash flows from operating activities:			
Cash received from customers/other funds	$ 7,358	176	
Cash payment to suppliers for goods and services	(7,114)	(662)	(1,068)
Net Cash Provided by (Used for) Operating Activities	244	(486)	(1,068)
Cash Flows from Noncapital Financing Activities:			
State and federal grants			
Transfers received			
Due to other funds		72	
Net Cash Provided by (Used for) Noncapital Financing Activities		72	
Cash Flows from Investing Activities:			
Interest received on investments	28		64
Net Cash Provided by Investing Activities	28		64
Net Increase (Decrease) in Cash and Cash Equivalents	272	(414)	(1,004)
Cash and Cash Equivalents at Beginning of Year	1,620	414	2,833
Cash and Cash Equivalents at End of Year	$ 1,892		1,829
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	$ 282	72	(1,047)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Accounts receivable and accrued revenue		77	
Due from other funds		27	
Increase (decrease) in:			
Accounts payable and accrued liabilities			(23)
Due to other funds	(38)	(662)	2
Net Cash Provided by (Used for) Operating Activities	$ 244	(486)	(1,068)

Workers' Compensation Insurance County General	Workers' Compensation Insurance Fire Protection	Automotive Liability Insurance	Public Liability Insurance	State Unemployment Insurance	Medical Liability Insurance	Special District Property Insurance	Total
13,643	1,517	510	4,900	896	970	283	30,253
(19,003)	(2,504)	(239)	(4,557)	(582)	(2,243)	(328)	(38,300)
(5,360)	(987)	271	343	314	(1,273)	(45)	(8,047)
	10						10
					3,000		3,000
							72
	10				3,000		3,082
1,806	267		1,045	50	4	13	3,277
1,806	267		1,045	50	4	13	3,277
(3,554)	(710)	271	1,388	364	1,731	(32)	(1,688)
36,845	7,772	1,783	26,859	1,988	1,772	667	82,553
33,291	7,062	2,054	28,247	2,352	3,503	635	80,865
(13,605)	(2,444)	(97)	(3,009)	324	(309)	(26)	(19,859)
(590)	(29)		13	(6)	6	1	(528)
		(37)	(1,674)				(1,684)
9,194	1,422	414	4,983		(956)		15,034
(359)	64	(9)	30	(4)	(14)	(20)	(1,010)
(5,360)	(987)	271	343	314	(1,273)	(45)	(8,047)

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

FIDUCIARY FUNDS

AGENCY FUNDS

TAX LOSSES RESERVE

This Fund was established as a reserve for all delinquent secured taxes. It accumulates gains from tax sales and specified amounts of penalties and interest collected on delinquent secured taxes to cover possible future losses on the sale of tax-deeded property.

UNAPPORTIONED TAXES

These Funds account for unsecured taxes receivable, delinquent secured taxes, amounts which are impounded because of disputes or litigation and amounts held pending authority for apportionment.

OTHER AGENCIES

These Funds account for assets held by the County for individuals, private organizations and other governmental units. These funds include payroll deduction clearing and collections clearing funds.

COUNTY OF CONTRA COSTA

STATEMENT OF CHANGES IN FIDICUARY ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
Tax Losses Reserve:				
Assets:				
Cash and investments	$ 20,204	9,068	8,160	21,112
Due from other funds	4,103	5,983	4,103	5,983
Total Assets	$ 24,307	15,051	12,263	27,095
Liabilities:				
Due to other funds	$ 59	63	59	63
Tax loss guarantees	24,248	10,240	7,456	27,032
Total Liabilities	$ 24,307	10,303	7,515	27,095
Unapportioned Taxes:				
Assets:				
Accounts receivable	$ 8,490	73,652	81,176	966
Due from other funds	4,581	6,482	11,012	51
Taxes receivable	117,045	1,399,192	1,388,764	127,473
Total Assets	$ 130,116	1,479,326	1,480,952	128,490
Liabilities:				
Accounts payable	$ 26,325	35,347	32,702	28,970
Due to other funds	27,580	7,323	17,342	17,561
Unapportioned taxes	76,211	1,356,158	1,350,410	81,959
Total Liabilities	$ 130,116	1,398,828	1,400,454	128,490
Other Agencies As Restated:				
Assets:				
Cash and investments	$ 114,976	1,577,905	1,584,402	108,479
Accounts receivable	21,987	20,451	31,657	10,781
Due from other funds	5,162	17,801	19,200	3,763
Total Assets	$ 142,125	1,616,157	1,635,259	123,023
Liabilities:				
Warrants outstanding	$ 34,829	584,625	579,321	40,133
Accounts payable	9,027	651,030	654,506	5,551
Due to other funds	31,411	20,529	44,221	7,719
Due to other agencies and districts	66,858	297,584	294,822	69,620
Total Liabilities	$ 142,125	1,553,768	1,572,870	123,023

(continued)

COUNTY OF CONTRA COSTA

STATEMENT OF CHANGES IN FIDICUARY ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
Totals-Agency Funds:				
Assets:				
Cash and investments	$ 135,180	1,586,973	1,592,562	129,591
Accounts receivable	30,477	94,103	112,833	11,747
Due from other funds	13,846	30,266	34,315	9,797
Taxes receivable	117,045	1,399,192	1,388,764	127,473
Total Assets	$ 296,548	3,110,534	3,128,474	278,608
Liabilities:				
Warrants outstanding	$ 34,829	584,625	579,321	40,133
Accounts payable	35,352	686,377	687,208	34,521
Due to other funds	59,050	27,915	61,622	25,343
Unapportioned taxes	76,211	1,356,158	1,350,410	81,959
Tax loss guarantees	24,248	10,240	7,456	27,032
Due to other agencies and districts	66,858	297,584	294,822	69,620
Total Liabilities	$ 296,548	2,962,899	2,980,839	278,608

(concluded)

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

COUNTY OF CONTRA COSTA

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE OF FUNDING SOURCES

JUNE 30, 2002

(In Thousands)

General Capital Assets:		
Land	$	60,108
Buildings and improvements		313,765
Buildings and improvements - lease purchases		131,974
Equipment		94,348
Equipment - lease purchase		8,367
Infrastructure		304,094
Construction in progress		53,502
Total Governmental Funds Capital Assets	$	966,158
Investments in Capital Assets from:		
General obligation bonds	$	10,240
Federal grants		45,153
State grants		79,409
General fund		386,134
Special revenue funds		442,119
Other government agencies		1,667
Gifts		1,436
Total Governmental Funds Capital Assets	$	966,158

COUNTY OF CONTRA COSTA

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE BY FUNCTION AND ACTIVITY

JUNE 30, 2002

(In Thousands)

Function and Activity	Total	Land	Buildings & Improve - ments	Building & Improvements Lease Purchases	Equipment
General Government:					
Legislative and administrative	$ 476				476
Finance	1,008		9		849
Counsel	47				47
Personnel	61				61
Elections	1,849				1,849
Communications	4,339		13		3,665
Property management	22,462		1,092	1,694	18,585
Plant acquisition	461,267	54,396	245,050	130,280	490
Other general	6,826				5,312
Total General Government	498,335	54,396	246,164	131,974	31,334
Public Protection:					
Judicial	1,503				1,485
Police protection	13,585	7	874		10,612
Detention and correction	35,536	1,492	30,988		1,320
Fire protection	46,184	2,020	16,862		27,302
Flood control	149,457	177	24		1,014
Protective inspection	2,308				2,207
Other protection	4,777		2,606		2,151
Total Public Protection	253,350	3,696	51,354		46,091
Health and Sanitation:					
Health	2,421		6		2,078
Hospital care	817	141			631
Sanitation	1,006		924		82
Total Health and Sanitation	4,244	141	930		2,791
Public Assistance:					
Assistance administration	3,213				2,984
Aid programs	340				74
Veteran's services	7				7
Other assistance	2,944	888	1,126		914
Total Public Assistance	6,504	888	1,126		3,979
Education:					
Library services	7,231	349	5,572		1,310
Agricultural education	6				6
Total Education	7,237	349	5,572		1,316
Public Ways and Facilities:					
Public ways	191,632	141	4,285		8,812
Total Public Ways and Facilities	191,632	141	4,285		8,812
Recreation and Cultural Services:					
Veteran's memorial buildings	25				25
Recreation facilities	4,831	497	4,334		
Total Recreation and Cultural Services	4,856	497	4,334		25
Total General Capital Assets	$ 966,158	60,108	313,765	131,974	94,348

Equipment Lease Purchases	Infrastructure	Construction in Progress
150		
661		
1,091		
		31,051
1,514		
3,416		31,051
18		
2,092		
1,736		
	133,861	14,381
101		
20		
3,967	133,861	14,381
337		
45		
382		
229		
266		
16		
511		
91	170,233	8,070
91	170,233	8,070
8,367	304,094	53,502

COUNTY OF CONTRA COSTA

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

Function and Activity	Balance July 1, 2001 (as restated)	Additions	Deletions	Transfers	Balance June 30, 2002
General Government:					
Legislative and administrative	$ 693	46	(251)	(12)	476
Finance	1,951	171	(1,114)		1,008
Counsel	109		(62)		47
Personnel	122		(61)		61
Elections	1,626	339	(125)	9	1,849
Communications	4,058	423	(142)		4,339
Property management	21,372	2,647	(1,522)	(35)	22,462
Plant acquisition	411,185	50,347	(74)	(191)	461,267
Promotion	3		(3)		
Other general	6,294	817	(281)	(4)	6,826
Total General Government	447,413	54,790	(3,635)	(233)	498,335
Public Protection:					
Judicial	1,801	334	(632)		1,503
Police protection	13,902	1,374	(1,960)	269	13,585
Detention and correction	37,599	50	(2,118)	5	35,536
Fire protection	41,429	6,719	(1,964)		46,184
Flood control	149,318	184	(45)		149,457
Protective inspection	2,432	367	(491)		2,308
Other protection	5,419	135	(750)	(27)	4,777
Total Public Protection	251,900	9,163	(7,960)	247	253,350
Health and Sanitation:					
Health	2,715	188	(482)		2,421
California children's services	16		(16)		
Hospital care	949	103	(221)	(14)	817
Sanitation	1,010		(4)		1,006
Total Health and Sanitation	4,690	291	(723)	(14)	4,244
Public Assistance:					
Assistance administration	3,279	1,067	(1,133)		3,213
Aid programs	167	257	(84)		340
Veteran's services	15		(8)		7
Other assistance	3,193	116	(365)		2,944
Total Public Assistance	6,654	1,440	(1,590)		6,504
Education:					
Library services	6,713	635	(117)		7,231
Agricultural education	6				6
Total Education	6,719	635	(117)		7,237
Public Ways and Facilities:					
Public ways	170,533	21,860	(761)		191,632
Total Public Ways and Facilities	170,533	21,860	(761)		191,632
Recreation and Cultural Services:					
Veteran's memorial buildings	25				25
Recreation facilities	4,333	498			4,831
Total Recreation and Cultural Services	4,358	498			4,856
Total Governmental Funds Capital Assets	$ 892,267	88,677	(14,786)		966,158

STATISTICAL SECTION

COUNTY OF CONTRA COSTA

GOVERNMENT-WIDE EXPENSES BY FUNCTION

GOVERNMENTAL ACTIVITIES

FISCAL YEAR ENDED JUNE 30, 2002

(In Thousands)

Function		Amount	Percentage of Total
General government	$	115,534	10.5 %
Public protection		365,757	33.0
Health and sanitation		184,109	16.7
Public assistance		328,450	29.8
Education		16,364	1.5
Public ways and facilities		56,197	5.1
Recreation and culture		793	0.1
Interest on debt		36,340	3.3
	$	1,103,544	100.0 %

COUNTY OF CONTRA COSTA
GOVERNMENT-WIDE REVENUES
GOVERNMENTAL ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

Program Revenues	Amount	Percentage of Total
Charges for services	$ 250,536	21.4 %
Operating grants and contributions	544,900	46.5
Capital grants and contributions	12,573	1.1
General Revenues		
Taxes	238,684	20.4
Grants/contributions not restricted	77,741	6.6
Investment earnings	27,035	2.3
Other	20,158	1.7
Total Program and General Revenues	$ 1,171,627	100.0 %

COUNTY OF CONTRA COSTA

GENERAL COUNTY REVENUES BY SOURCE

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year Ended June 30,	Taxes	Licenses, Permits & Franchise Fees	Fines, Forfeitures and Penalties	Use of Money and Property	Inter-governmental	Charges for Services	Other	Total
1993	$ 226,565	14,445	6,728	27,280	367,112	92,866	7,693	742,689
1994	173,384	12,529	12,654	27,953	448,668	102,545	14,750	792,483
1995	167,185	13,332	21,306	30,600	478,350	140,354	14,923	866,050
1996	179,431	14,569	20,477	33,903	470,211	130,087	21,360	870,038
1997	184,805	14,265	17,343	35,457	469,257	127,208	25,585	873,920
1998	179,331	14,194	16,249	42,168	471,208	130,468	19,844	873,462
1999	192,915	16,221	17,088	40,649	502,908	145,210	27,283	942,274
2000	204,383	20,395	19,000	37,956	564,289	169,240	35,020	1,050,283
2001	296,644	25,749	18,296	43,632	490,842	188,545	27,166	1,090,874
2002	322,635	35,277	18,525	23,764	545,724	196,588	94,280	1,236,793

NOTE: Includes all governmental fund types.

COUNTY OF CONTRA COSTA

GENERAL COUNTY EXPENDITURES BY FUNCTION

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year Ended June 30,	General Government	Public Protection	Health & Sanitation	Public Assistance	Education	Public Ways & Facilities	Debt Service & Other	Total
1993	$ 66,211	226,248	136,933	239,151	11,342	42,542	27,068	749,495
1994	66,008	229,263	154,556	275,713	9,260	34,743	40,817	810,360
1995	69,828	270,099	157,787	293,294	9,394	35,336	80,156	915,894
1996	84,137	257,933	138,243	286,457	12,878	39,536	72,515	891,699
1997	79,195	272,415	132,432	272,163	11,439	32,566	65,904	866,114
1998	85,786	266,707	147,867	268,633	11,774	33,071	76,088	889,926
1999	108,963	287,538	157,041	289,570	12,828	45,855	72,385	974,180
2000	101,772	307,260	164,142	302,690	14,216	50,508	84,363	1,024,951
2001	106,380	325,821	161,220	294,317	14,589	54,611	79,084	1,036,022
2002	130,351	378,011	182,164	337,673	16,367	88,830	95,164	1,228,560

NOTE: Includes all governmental fund types. Health and Sanitation includes operating transfers to the County Hospital and HMO Enterprise Funds ($37,187,000 for fiscal year 2001-2002).

COUNTY OF CONTRA COSTA

GENERAL COUNTY REVENUES BY SOURCE - CONSTANT DOLLARS (1)(2)

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year Ended June 30,	Taxes	Licenses, Permits & Franchise Fees	Fines, Forfeitures and Penalties	Use of Money and Property	Inter-governmental	Charges For Services	Other	Total
1993	$ 156,478	9,977	4,647	18,841	253,548	64,138	5,313	512,942
1994	117,716	8,506	8,591	18,978	304,615	69,621	10,014	538,041
1995	111,290	8,875	14,183	20,369	318,422	93,429	9,934	576,502
1996	117,301	9,524	13,387	22,164	307,394	85,043	13,964	568,777
1997	117,287	9,053	11,007	22,503	297,815	80,733	16,238	554,636
1998	110,087	8,713	9,975	25,886	289,262	80,091	12,182	536,196
1999	114,083	9,593	10,105	24,038	297,403	85,872	16,134	557,228
2000	115,962	11,572	10,780	21,535	320,164	96,023	19,870	595,906
2001	159,332	13,830	9,827	23,435	263,638	101,270	14,591	585,923
2002	173,292	18,948	9,950	12,764	293,116	105,590	50,639	664,299

NOTES: (1) Includes all governmental fund types.

(2) The information for the years 1993 through 2002 has been adjusted using the average Consumer Price Index-Urban for each year with a base point of December, 1983, equal to 100.

COUNTY OF CONTRA COSTA

GENERAL COUNTY EXPENDITURES BY FUNCTION - CONSTANT DOLLARS (1) (2)

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year Ended June 30,	General Government	Public Protection	Health & Sanitation	Public Assistance	Education	Public Ways & Facilities	Debt Service & Other	Total
1993	$ 45,729	156,259	94,574	165,171	7,833	29,382	18,695	517,643
1994	44,815	155,654	104,933	187,191	6,287	23,588	27,712	550,180
1995	46,482	179,796	105,034	195,236	6,253	23,522	53,357	609,680
1996	55,003	168,620	90,375	187,268	8,419	25,846	47,406	582,937
1997	50,261	172,889	84,048	172,729	7,260	20,668	41,826	549,681
1998	52,662	163,724	90,772	164,907	7,228	20,301	46,708	546,302
1999	64,437	170,040	92,869	171,242	7,586	27,117	42,806	576,097
2000	57,743	174,332	93,130	171,739	8,066	28,657	47,866	581,533
2001	57,138	175,003	86,594	158,082	7,836	29,332	42,477	556,462
2002	70,013	203,035	97,843	181,369	8,791	47,712	51,114	659,877

NOTES: (1) Includes all governmental fund types. Health and Sanitation includes operating transfers to the County Hospital and HMO Enterprise Funds in constant dollars ($19,973,000 for fiscal year 2001-2002).

(2) The information for the years 1993 through 2002 has been adjusted using the average Consumer Price Index - Urban for each year with a base point of December, 1983, equal to 100.

COUNTY OF CONTRA COSTA

ASSESSED VALUE OF TAXABLE PROPERTY (1)

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year Ended June 30,	Assessed Value					Net Increase	
	Real Property	Personal Property	Total	Exemptions	Assessed Value of Taxable Property	Amount	Per-centage
1993	$ 59,800,740	$ 2,501,057	$ 62,301,797	$ 908,476	$ 61,393,321	$ 2,971,134	5.09 %
1994	61,824,575	2,685,105	64,509,680	1,081,984	63,427,696	2,034,375	3.31
1995	63,992,943	2,406,789	66,399,732	1,105,367	65,294,365	1,866,669	2.94
1996	65,949,619	2,417,931	68,367,550	1,221,088	67,146,462	1,852,097	2.84
1997	67,846,683	2,657,824	70,504,507	1,262,407	69,242,100	2,095,638	3.12
1998	69,194,267	2,513,679	71,707,946	1,393,145	70,314,801	1,072,701	1.55
1999	72,525,051	2,728,990	75,254,041	1,554,486	73,699,555	3,384,754	4.81
2000	77,475,617	2,495,049	79,970,666	1,683,078	78,287,588	4,588,033	6.23
2001	83,329,641	2,936,004	86,265,645	1,637,667	84,627,978	6,340,390	8.10
2002	92,091,316	3,350,098	95,441,414	1,951,214	93,490,200	8,862,222	10.47

NOTE: (1) Article XIIIA, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased: a) to reflect annual inflation up to 2 percent; b) to reflect current market value at time of ownership change; and c) to reflect market value for new construction.

COUNTY OF CONTRA COSTA

GENERAL TAXES LEVIED AND COLLECTED

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Taxes Levied (1)	General Taxes Collected (2)
1993	$ 613,933,210	$ 613,933,210
1994	634,276,960	634,276,960
1995	652,943,650	652,943,650
1996	671,464,620	671,464,620
1997	692,421,000	692,421,000
1998	703,148,010	703,148,010
1999	736,995,550	736,995,550
2000	782,875,880	782,875,880
2001	846,279,780	846,279,780
2002	934,902,000	934,902,000

NOTES: (1) General taxes are calculated at 1 percent of total assessed value less local exemptions.

(2) General County taxes collected are the same as the amounts levied, because the County follows California's alternate method of apportionment (the Teeter Plan). Under the Teeter Plan, all amounts levied are apportioned to the County and other taxing agencies regardless of whether they are collected in the current year or not. A Tax Losses Reserve Fund insures losses resulting when a property is sold for taxes, and the proceeds are insufficient to pay the outstanding amounts due.

COUNTY OF CONTRA COSTA

SPECIAL ASSESSMENTS LEVIED AND COLLECTED

LAST TEN FISCAL YEARS (1)

Fiscal Year Ended June 30,	Special Assessments Levied (2)	Special Assessments Collected (3)
1995	$ 4,809,648	$ 4,809,648
1996	3,693,552	3,693,552
1997	3,232,099	3,232,099
1998	2,946,192	2,946,192
1999	3,155,064	3,155,064
2000	3,027,937	3,027,937
2001	3,030,800	3,030,800
2002	2,600,958	2,600,958

NOTES: (1) Data for this schedule are provided for years in which special assessment debt with government commitment has been reported separately in the CAFR. Data are not available for years prior to fiscal year 1994-1995.

(2) Special assessments are amounts levied to pay special assessment debt with government commitment.

(3) Special assessments collected are the same as the amounts levied, because the County follows California's alternate method of apportionment (the Teeter Plan). Under the Teeter Plan, all amounts levied are apportioned to the County and other taxing agencies regardless of whether they are collected in the current year or not. A Tax Losses Reserve Fund insures losses resulting when a property is sold for taxes, and the proceeds are insufficient to pay the outstanding amounts due.

COUNTY OF CONTRA COSTA

PROPERTY TAX RATES (1)

DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	County-wide Rate	County Special Districts	Local Special Districts	Agency Districts	Schools	Cities	Total
1993	1.0000	.0011	.0071	.0345	.0153	.0192	1.0772
1994	1.0000	.0011	.0068	.0321	.0190	.0143	1.0733
1995	1.0000	.0010	.0071	.0314	.0206	.0147	1.0748
1996	1.0000	.0010	.0068	.0338	.0223	.0153	1.0792
1997	1.0000	.0010	.0064	.0309	.0263	.0148	1.0794
1998	1.0000	.0009	.0063	.0304	.0297	.0142	1.0815
1999	1.0000	.0008	.0061	.0262	.0342	.0139	1.0812
2000	1.0000	.0006	.0055	.0091	.0334	.0135	1.0621
2001	1.0000	.0006	.0047	.0067	.0318	.0131	1.0569
2002	1.0000	.0005	.0044	.0074	.0357	.0133	1.0613

NOTE: (1) In June, 1978, California voters approved Proposition 13 which restricted the taxing power of local government agencies. Individual agencies do not establish their own property tax rates, except for voter approved indebtedness. Instead, a countywide rate is levied with the proceeds distributed to all agencies according to formulas specified by the State legislature. The countywide rate is 1 percent of full cash value ($1 per $100 of taxable assessed valuation). The rates shown above are percentages of assessed valuation.

COUNTY OF CONTRA COSTA

PROPERTY TAXES

DIRECT AND ALL OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year Ended June 30,	County	County Special Districts	Local Special Districts	Schools	Cities	Redevelopment Agency	Totals
1993	$ 155,713	65,974	134,037	278,128	125,246	56,494	815,592
1994	101,541	75,565	143,162	335,343	127,425	58,774	841,810
1995	97,074	75,845	147,215	364,439	132,043	58,766	875,382
1996	100,025	78,752	157,323	374,506	136,030	59,137	905,773
1997	102,991	81,617	157,386	383,348	137,713	61,122	924,177
1998	103,519	84,097	169,578	390,822	134,065	62,598	944,679
1999	109,632	79,057	178,329	416,242	139,426	65,433	988,119
2000	115,829	81,995	176,174	444,126	144,964	71,203	1,034,291
2001	123,479	90,555	188,040	479,738	154,298	78,553	1,114,663
2002	134,411	98,966	213,930	535,689	168,551	93,530	1,245,077

NOTE: This schedule shows the property tax levies by major group of taxing agencies.

COUNTY OF CONTRA COSTA

PROPERTY TAX LEVIES AND DELINQUENCIES

Fiscal Year Ended June 30,	Total Current Year Tax Levy	Portion of Current Levy Delinquent at June 30	Percentage of Current Levy Delinquent at June 30	Total Delinquent Taxes at June 30 for all Years	Tax Losses Reserve Fund at June 30	Reserve as a Percentage of Delinquent Taxes
1976	$ 290,128,126	$ 5,120,237	1.76 %	$ 11,678,432	$ 8,612,344	73.75 %
1977	331,632,809	4,728,220	1.43	11,167,061	10,073,672	90.21
1978	373,950,185	5,943,840	1.59	12,270,176	11,614,986	94.66
1979	196,482,131	3,501,345	1.78	9,313,032	10,132,029	108.79
1980	202,823,519	4,911,417	2.42	10,040,343	10,206,725	101.66
1981	237,630,961	7,195,889	3.03	12,244,759	7,213,929	58.91
1982	264,897,190	10,557,491	3.99	17,041,514	8,700,583	51.06
1983	294,757,661	10,281,578	3.49	19,398,576	11,158,615	57.52
1984	319,869,578	9,216,399	2.88	18,963,037	14,330,673	75.57
1985	356,956,194	10,646,452	2.98	19,856,715	18,166,548	91.49
1986	403,053,585	11,865,967	2.94	23,885,971	22,766,159	95.31
1987	436,570,280	12,330,764	2.82	23,465,796	17,393,902	74.12
1988	487,158,795	13,955,266	2.86	25,072,647	18,430,198	73.51
1989	535,212,918	13,387,564	2.50	24,460,470	20,125,551	82.28
1990	593,937,412	14,746,710	2.48	24,942,747	21,797,766	87.39
1991	669,071,124	19,762,687	2.95	31,374,327	24,093,615	76.79
1992	714,963,082	24,787,991	3.47	41,780,835	26,558,333	63.57
1993	760,559,294	24,239,204	3.19	46,553,277	29,042,152	62.38
1994	794,435,830	20,652,106	2.60	43,996,595	31,225,565	70.97
1995	823,495,651	20,640,379	2.51	43,587,741	24,709,211	56.69
1996	854,519,586	18,296,237	2.14	41,993,380	18,670,811	44.46
1997	869,580,974	18,057,023	2.08	42,022,344	17,154,539	40.82
1998	892,581,453	15,547,736	1.74	37,200,417	19,508,732	52.44
1999	939,437,116	15,375,159	1.64	32,858,406	21,322,269	64.89
2000	981,579,866	15,904,158	1.62	31,563,440	22,826,720	72.32
2001	1,062,831,354	16,728,410	1.57	31,050,012	24,247,987	78.09
2002	1,187,173,140	20,551,776	1.73	33,941,546	27,032,058	79.64

COUNTY OF CONTRA COSTA

RATIO OF NET GENERAL BONDED DEBT

TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA (1)

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population	Assessed Value of Taxable Property	Gross Bonded Debt	Debt Service Monies Available	Net Bonded Debt	Ratio Of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
1993	855,109	$ 61,393,320,000	$ 37,650,000	$ 39,997	$ 37,610,003	0.061	43.98
1994	868,600	63,427,697,000	374,392,000	1,233,000	373,159,000	0.588	429.61
1995	883,390	65,294,365,000	373,161,000	2,616,000	370,545,000	0.567	419.46
1996	870,724	67,146,462,000	366,517,000	2,371,000	364,146,000	0.542	418.21
1997	879,206	69,242,100,000	360,830,000	2,513,000	358,317,000	0.517	407.55
1998	900,688	70,314,801,000	352,965,000	2,766,000	350,199,000	0.498	388.81
1999	916,403	73,699,555,000	317,695,000	2,711,000	314,984,000	0.427	343.72
2000	930,025	78,287,588,000	304,635,000	3,857,000	300,778,000	0.384	323.41
2001	972,103	84,627,978,000	299,270,000	10,656,000	288,614,000	0.341	296.90
2002	981,555	93,490,200,000	282,905,000	7,875,000	275,030,000	0.294	280.20

NOTE: (1) Does not include Public Financing Authority debt, Public Facilites Corporation debt, Redevelopment Agency debt nor special assessment debt with government commitment.

COUNTY OF CONTRA COSTA

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	New Dwelling Units (1)		Construction Valuation		Bank Deposits (2)
	Single Family	Multiple Family	Residential	Non-Residential	
1992	3,279	614	$ 638,714,000	$ 207,099,000	$ 9,102,176,000
1993	3,026	451	590,000,000	183,156,000	11,462,467,000
1994	3,682	230	583,734,000	164,684,000	12,804,748,000
1995	3,137	618	619,685,000	190,443,000	13,193,883,000
1996	3,080	450	584,108,000	170,069,000	14,194,988,000
1997	3,105	381	582,793,000	180,794,000	15,210,082,000
1998	3,144	999	738,939,000	235,905,000	15,500,256,000
1999	3,909	504	852,256,000	234,752,000	17,746,965,000
2000	3,692	1,071	841,990,000	328,854,000	19,744,740,000
2001	4,144	776	921,370,000	340,959,000	19,042,604,000

Source (1) Economic Sciences Corp: 1991-2001

(2) Federal Deposit Insurance Corporation - Bank Deposits have been restated to include deposits from all institutions.

NOTE: Information for the fiscal year ended June 30, 2002 is not yet available.

Assessed Value of Taxable Property

Residential	Commercial	Industrial	Land	Total
$ 37,770,532,000	$ 7,656,657,000	$ 11,889,885,000	$ 1,105,112,000	$ 58,422,186,000
40,184,960,000	7,655,329,000	12,413,013,000	1,140,017,000	61,393,319,000
42,295,193,000	7,602,074,000	12,357,698,000	1,172,732,000	63,427,697,000
43,971,060,000	7,556,205,000	12,591,768,000	1,175,332,000	65,294,365,000
45,312,034,000	7,448,151,000	13,281,211,000	1,105,065,000	67,146,461,000
46,568,404,000	8,805,645,000	12,775,064,000	1,092,987,000	69,242,100,000
47,836,713,000	9,456,047,000	11,924,385,000	1,097,656,000	70,314,801,000
50,500,004,000	9,865,342,000	12,187,476,000	1,146,733,000	73,699,555,000
54,364,322,000	10,563,204,000	12,026,728,000	1,333,334,000	78,287,588,000
59,629,822,000	11,590,814,000	11,955,053,000	1,452,289,000	84,627,978,000

COUNTY OF CONTRA COSTA

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES (2)

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Principal	Interest	Total Debt Service	Total General Expenditures (1)	Ratio Of Debt Service To Total General Expenditures
1993	$ 320,000	$ 383,000	$ 703,000	$ 749,495,000	.0009
1994	614,000	6,021,000	6,635,000	810,360,000	.0082
1995	1,278,000	22,338,000	23,616,000	915,893,000	.0258
1996	4,000,000	22,435,000	26,435,000	891,699,000	.0296
1997	5,703,000	22,242,000	27,945,000	866,114,000	.0323
1998	7,475,000	21,952,000	29,427,000	889,926,000	.0331
1999	9,370,000	21,539,000	30,909,000	974,180,000	.0317
2000	11,325,000	20,952,000	32,277,000	1,024,951,000	.0315
2001	15,730,000	18,330,000	34,060,000	1,036,022,000	.0329
2002	16,365,000	19,439,000	35,804,000	1,228,560,000	.0291

NOTES: (1) Includes all governmental fund types.

(2) Does not include Public Financing Authority, Public Facilities Corporation, Redevelopment Agency nor Assessment District debt.

COUNTY OF CONTRA COSTA

COMPUTATION OF LEGAL DEBT MARGIN

YEAR ENDED JUNE 30, 2002

(In Thousands)

Assessed Value of Taxable Property	$	93,490,200
Debt Limit Five Percent of Assessed Value (1)	$	4,674,510
Amount of Debt Applicable to Debt Limit (2)		
Total Bonded Debt		344,005
Less: Assets in Debt Service Funds		7,875
Total Amount of Debt Applicable to Debt Limit		336,130
Legal Debt Margin	$	4,338,380

NOTES: (1) Section 29909 of the California Government Code limits General Obligation Bond indebtedness to five percent of the total assessed valuation of all taxable real and personal property within the County.

(2) Does not include Public Financing Authority, Public Facilities Corporation nor Assessment District debt.

COUNTY OF CONTRA COSTA

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

	Debt Applicable July 1, 2002 [1]	
	Percentage	Amount
DIRECT GENERAL FUND OBLIGATION DEBT:		
Contra Costa County General Fund Obligations	100.000	$ 334,355,000 [2]
Contra Costa County Pension Obligations	100.000	281,425,000
TOTAL DIRECT DEBT		615,780,000
OVERLAPPING DEBT:		
Contra Costa County Board of Education Cert. of Participation	100.000	2,720,000
Contra Costa County Mosquito Abatement Cert. of Participation	100.000	1,055,000
Alameda-Contra Costa Transit District Cert. of Participation	10.889	2,506,648
East Bay Municipal Water District and Special District No. 1	49.589 + 6.018	5,411,977
Acalanes and Liberty Union High School Districts	100.000	129,142,569
Martinez Unified School District	100.000	41,348,920
Pittsburg Unified School District	100.000	28,585,000
Lafayette School District	100.000	28,200,000
San Ramon Valley Unified School District & Educ. Facility Corp.	100.000	29,755,000
SRV Unified School District	100.000	62,129,416
Other School Districts' Overlapping Tax and Assessment Debt	.414-100.000	95,287,039
Antioch Unified School District Certificates of Participation	100.000	19,673,575
Other School Districts' General Fund Obligations	.140-100.000	44,111,125
Cities' Overlapping Tax and Assessment Debt	100.000	16,154,977
City of Concord General Fund and Judgment Obligations	100.000	42,095,000
City of Richmond General Fund Obligations	100.000	51,904,469
City of Richmond Pension Obligations	100.000	31,360,000
City of Antioch General Fund Obligations	100.000	20,672,996
City of San Ramon General Fund Obligations	100.000	22,580,000
Other Cities' General Fund Obligations	100.000	38,120,000
East Bay Regional Park District	44.549	74,595,073
Hospital Authorities	100.000	2,555,000
Other Special Districts' Cert. of Participation	100.000	11,340,000
Other Special Districts' Overlapping Tax and Assessment Debt	100.000	1,480,000
Community Facilities District	100.000	266,420,000
1915 Act Assessment Bonds (Estimate)	100.000	461,352,000
West Contra Costa Unified School District	100.000	122,450,000
Mt. Diablo Unified School District	100.000	69,400,000
Contra Costa Community College District	100.000	50,000,000
TOTAL OVERLAPPING DEBT		1,772,405,784

(continued)

COUNTY OF CONTRA COSTA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

TOTAL GROSS DIRECT AND OVERLAPPING DEBT		2,388,185,784
Less: San Ramon Unified School Dist. Certificates of Participation (Self-supporting from GIC from Bayerische Landesbank)		8,885,000
East Bay Municipal Utility District (100% Self-Supporting)		2,767,066
TOTAL NET DIRECT AND OVERLAPPING DEBT		$ 2,376,533,718
2001 - 2002 Assessed Value of Taxable Property	$ 93,490,200,000	
Less: Redevelopment Increments	8,835,385,357	
Adjusted Assessed Valuation	$ 84,654,814,643	
Population	981,555	

	Ratio to Full Cash Value (%)	Per Capita
Direct Debt (Includes County Lease Revenue Obligations)	0.73	$ 627
Total Gross Direct and Overlapping Debt	2.82	2,433
Total Net Direct and Overlapping Debt	2.81	2,421

(1) Source: The offical statement, County of Contra Costa, California 2002-2003 Tax and Revenue Anticipation Notes, Series A. Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

(2) Excludes the Notes and the $25,440,000 2002 Series B Lease Revenue Refunding Bonds delivered by the County on September 5, 2002.

(concluded)

COUNTY OF CONTRA COSTA
TEN PRINCIPAL TAXPAYERS
YEAR ENDED JUNE 30, 2002

Taxpayer	Type of Business	2001 - 2002 Secured Assessed Valuation	Percent Of Total Secured Assessed Valuation
Chevron USA	Petroleum Refining	$ 2,140,798,550	2.29 %
Equilon Enterprise	Petroleum Refining	1,331,376,042	1.42
Tosco Corporation	Petroleum Refining	966,368,816	1.03
Pacific Bell	Utility	704,468,787	0.75
Pacific Gas & Electric	Utility	703,265,721	0.75
Mirant Delta	Utility	558,875,128	0.60
GMAC Commercial	Real Estate Financing	413,656,815	0.44
Seeno & Associates	Construction	366,611,669	0.39
USS Posco	Steel Production	333,729,421	0.36
ORECM Escrow	Real Estate Financing	268,001,606	0.29
		$ 7,787,152,555	8.32 %

COUNTY OF CONTRA COSTA

DEMOGRAPHICS - POPULATION

Jurisdiction	Date of Incor - poration	1960	1970	Special Census 1975	1980	1990	2000	2002
Antioch	2/2/1872	17,305	28,060	33,215	43,559	61,379	84,485	96,735
Brentwood	1/1/1948	2,186	2,649	3,662	4,434	7,515	23,090	29,641
Clayton	3/18/1964		1,385	1,790	4,325	7,219	11,373	10,978
Concord	2/2/1905	36,208	85,164	94,673	103,251	110,640	114,932	123,935
Danville	7/1/1982					28,675	40,484	43,003
El Cerrito	8/20/1917	25,437	25,190	22,950	22,731	22,684	23,874	23,511
Hercules	12/15/1900	310	252	121	5,963	16,554	19,552	20,140
Lafayette	7/22/1968		20,484	19,628	20,879	24,482	24,360	24,411
Martinez	4/1/1876	9,604	16,506	18,702	22,582	33,510	37,034	36,715
Moraga	11/13/1974			14,418	15,014	14,780	17,006	16,507
Oakley	7/1/1999							26,157
Orinda	7/1/1985					16,704	17,436	17,833
Pinole	6/25/1903	6,064	13,266	15,337	14,253	17,147	18,657	19,429
Pittsburg	6/22/1903	19,062	20,651	24,347	33,034	47,190	54,383	59,910
Pleasant Hill	11/14/1961		24,610	25,398	25,124	31,115	33,169	33,360
Richmond	8/7/1905	71,584	79,043	70,126	74,676	83,718	94,369	101,076
San Pablo	4/26/1948	19,687	21,461	19,392	19,750	24,709	26,827	30,912
San Ramon	7/1/1983					34,170	45,704	46,237
Walnut Creek	10/19/1914	9,903	39,844	46,034	53,643	60,542	64,710	65,883
Total Incorporated		217,350	378,565	409,793	463,218	642,733	751,445	826,373
Unincorporated		191,680	177,240	173,036	194,034	154,548	178,580	155,182
TOTAL COUNTY		409,030	555,805	582,829	657,252	797,281	930,025	981,555

Source: 1950-1990 U.S. Census; 2001-2002 California State Department of Finance.

COUNTY OF CONTRA COSTA
MISCELLANEOUS STATISTICS

GEOGRAPHICAL LOCATION: Contra Costa County is located near San Francisco in the Bay Area. It is bordered by San Francisco Bay and San Pablo Bay on the West, by Suisun Bay and the Sacramento and San Joaquin Rivers on the North, by the delta country of San Joaquin County on the East and by Alameda County on the South.

ALTITUDE: Sea level to 3,849 feet

AREA OF COUNTY: 732.6 square miles of land and 73.3 square miles of water.

COUNTY SEAT: Martinez, California

FORM OF GOVERNMENT: General Law County, governed by a five member Board of Supervisors. Contra Costa County is one of the original 27 counties established when California became a state in 1850.

	MARCH 2002 PRIMARY ELECTION
REGISTERED VOTERS	478,754
NUMBER VOTING	187,496
PERCENT VOTING	39.16

ROADS: 741.03 miles of County maintained streets and roads in the unincorporated areas.

COUNTY EMPLOYEES AT JUNE 30:

YEAR	NUMBER OF EMPLOYEES*	PERCENT OF INCREASE (DECREASE)	NUMBER OF EMPLOYEES PER THOUSAND OF POPULATION
1998	7,215	3.5	8.0
1999	7,749	7.4	8.5
2000	8,321	7.4	8.9
2001	8,654	4.0	8.9
2002	8,788	1.5	9.0

*Full-time equivalents, authorized and funded. Does not include employees of the courts or independent fire districts. Source: County Administrator.

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